

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672

6261 SENATE HEALTH, EDUCATION AND SOCIAL SERVICES

665

TABLE E-1
EXAMINATIONS REQUIRED OR PLANNED

| | Currently Required Prior to Entering a Teach Ed. Program | | | | | Currently Required Prior to Certification | | | | | New or Revised Exams Being Planned as Requirement for Certification | | | | | |
|---------------|--|---------------------|-------------------------|------------------------|--------------|---|---------------------|-------------------------|------------------------|---------------|---|----------------------|--------------------------|-------------------------|------------------------|----------------------------|
| | Basic Skills 1 | Subject Matter 2 | Pedagogical Skills 3 | General Knowledge 4 | No Exam 5 | Basic Skills 6 | Subject Matter 7 | Pedagogical Skills 8 | General Knowledge 9 | No Exam 10 | Basic Skills 11 | Subject Matter 12 | Pedagogical Skills 13 | General Knowledge 14 | Being Considered 15 | Not Being Considered 16 |
| ALABAMA | AA1 | | | | | AA | AA | | | | | | | | | X |
| ALASKA | | | | | X | | | | | X | | | | | | X |
| ARIZONA | AA | | | | | SA1 | | AA | | | | | | | | X |
| ARKANSAS | AA | | | AA | | AA | AA | AA | | | | | | | | X |
| CALIFORNIA | AA | SA1 | | | | AA | SA1 | | | | | | | | | |
| COLORADO | AA | | | | | AA | | | | X | | X | X | X | | |
| CONNECTICUT | AA | | | | | AA | | | | | | X | X | | | |
| DELAWARE | | | | | X | AA | | | | | | | | | | X |
| D.C. | | | | | X | | | | | X | | | | | | X |
| FLORIDA | | | | AA | | AA | | AA | | | X | X | | X | | |
| GEORGIA | | | | | X | | AA | AA1 | | | | | X2 | | | |
| HAWAII | | | | | X | AA | AA | AA | AA | | | | | | | X |
| IDAHO | AA | | | | | | | | | X | X1 | | X1 | X1 | | |
| ILLINOIS | | | | | X | | | | | X | X | X | | | | |
| INDIANA | | | | | X | SA1 | SA1 | SA1 | SA1 | | | | | | | X |
| IOWA | | | | | X | | | | | X | | | | | | X |
| KANSAS | | | | | X | SA12 | | SA12 | | | | | | | | X |
| KENTUCKY | AA | | | | | SA1 | SA1 | SA1 | SA1 | | | | | | | X |
| LOUISIANA | AA | | | AA | | AA | AA | AA | AA | | | | | | | X |
| MAINE | | | | | X | SA1 | | SA1 | SA1 | | | | | | | X |
| MARYLAND | | | | | X | AA | AA | AA | AA | | | | | | | X |
| MASSACHUSETTS | | SA1 | | | | | SA1 | | | | X | | | | X2 | |
| MICHIGAN | | | | | X | | | | | X | X | X | | | | |
| MINNESOTA | | | | | X | AA | | | | | | | | | | |
| MISSISSIPPI | AA | SA1 | | | | AA | AA | AA | AA | | | | | | | X |
| MISSOURI | | | | | X | | | | | X | X | | X | | | |
| MONTANA | | | | | X | SA1 | | SA1 | SA1 | | | | | | | X |
| NEBRASKA | AA | | | | | SA | | | | | | | | | | X |
| NEVADA | AA | | | | | | | | | X | X | X | X | | | |
| NEW HAMPSHIRE | | | | | X | SA1 | | | | | | | | | | X |
| NEW JERSEY | AA | | | | | | SA1 | | SA2 | | | | | | | X |
| NEW MEXICO | AA | | | | | AA | AA | AA | AA | | | | | | | X |
| NEW YORK | | | | | X | AA1 | | AA1 | AA1 | | | X | | | | |
| N. CAROLINA | AA | | AA | AA | | AA | AA | AA | AA | | | | | | | X |
| N. DAKOTA | AA | | | | | | AA | AA | | | | | | | | X |
| OHIO | AA1 | AA1 | | AA1 | | | AA2 | AA2 | AA2 | | | | | | | X |
| OKLAHOMA | AA1 | | | | | | SA2 | | | | X | | | | | |
| OREGON | | | | | X | AA1 | | | | | | X | | | | |
| PENNSYLVANIA | | | | | X | SA1 | SA1 | SA1 | SA1 | | | | | | | X |
| RHODE ISLAND | | | | | X | SA1 | | SA1 | SA1 | | | | | | | X |
| S. CAROLINA | AA | | | | | AA | AA | | | | | | X | | | |
| S. DAKOTA | | | | | X | | | | | X | | | | | | X |
| TENNESSEE | SA | | | | | AA | AA | AA | AA | | | | | | | X |
| TEXAS | AA | | | | | AA | AA | AA | AA | | | | | | | X |
| UTAH | | | | | X | | | | | X | | | | | | X |
| VERMONT | | | | | X | | | | | X | | | | | X | |
| VIRGINIA | | | | | X | SA1 | SA1 | SA1 | SA1 | | | | | | | X |
| WASHINGTON | | | | AA1 | | | | | | X | | | X | | | |
| W. VIRGINIA | AA | | | | | SA1 | AA2 | | | | | | | | | X |
| WISCONSIN | | | | | X | | | | | X | X1 | X2 | | | | |
| WYOMING | | | | | X | | | | | X | | | | | | |

2. To be implemented in 1987 effective 1991.

OKLAHOMA

1. Written and spoken English; PPST to be required as of 1989.
2. Applicants for school nurse, some vocational-technical fields and some low incidence fields are exempt,.

OREGON

1. California Basic Education Skills Test (CBEST) required of applicants for all initial certificates.

PENNSYLVANIA

1. Required only of applicants seeking first instructional or vocational instructional certificate.

RHODE ISLAND

1. Applicants who formerly held a Rhode Island certificate and applicants for occupational/vocational certificates are exempt.

VIRGINIA

1. Persons holding a valid out-of-state certificate and having completed one year of successful experience under same are exempt.

WASHINGTON

1. ACT, SAT or Washington Pre-College Test required for admission to teacher education program.

WEST VIRGINIA

1. Persons possessing a master's degree are exempt from basic skills examination.
2. Persons holding a valid certificate in another jurisdiction are exempt as are persons seeking certification in a title for which no examination exists.

WISCONSIN

1. To be implemented July 1989.
2. To be required of persons graduating from a State teacher education program after August 1990.

TABLE E-2 (Continued)
 CERTIFICATION AREAS AND EXAMINATIONS REQUIRED FOR CERTIFICATE

| | Special Education | | | | Occupational Vocational | | | | Pupil Personnel Services | | | | Administration / Supervision | | | |
|---------------|--------------------|----------------------|--------------------------|-------------------------|-------------------------|----------------------|--------------------------|-------------------------|--------------------------|----------------------|--------------------------|-------------------------|------------------------------|----------------------|--------------------------|-------------------------|
| | Basic Skills 17 | Subject Matter 18 | Pedagogical Skills 19 | General Knowledge 20 | Basic Skills 21 | Subject Matter 22 | Pedagogical Skills 23 | General Knowledge 24 | Basic Skills 25 | Subject Matter 26 | Pedagogical Skills 27 | General Knowledge 28 | Basic Skills 29 | Subject Matter 30 | Pedagogical Skills 31 | General Knowledge 32 |
| ALABAMA | SA | AA | AA | SA | SA | AA | AA | SA | SA | AA | AA | SA | SA | AA | AA | SA |
| ALASKA | | | | | | | | | | | | | | | | |
| ARIZONA | AA | | AA | | AA | | AA | | AA | | AA | | AA | | AA | |
| ARKANSAS | AA | AA | AA | | | | | | AA | AA | AA | | AA | AA | AA | |
| CALIFORNIA | | | | | | | | | AA | | | | AA | | | |
| COLORADO | AA | | | | AA | AA | | | AA | | | | AA | | | |
| CONNECTICUT | AA | AA1 | SA1 | | AA | | SA1 | | AA | | SA1 | | AA | | SA1 | |
| DELAWARE | AA | | | | AA | | | | AA | | | | AA | | | |
| D.C. | | | | | | | | | | | | | | | | |
| FLORIDA | AA | | AA | | AA | | AA | | AA | | AA | | AA | | AA | |
| GEORGIA | | AA | AA | | | AA | AA | | | AA | AA | | | AA | AA | |
| HAWAII | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | | | | |
| IDAHO | AA | | AA | AA | AA | | | AA | AA | | | AA | AA | | AA | AA |
| ILLINOIS | AA1 | AA1 | | | | | | | AA1 | AA1 | | | AA1 | AA1 | | |
| INDIANA | | SA1 | SA1 | SA1 | | SA1 | SA1 | SA1 | | | | | | | | |
| IOWA | | | | | | | | | | | | | | | | |
| KANSAS | SA | | SA | | SA | | SA | | | | | | | | | |
| KENTUCKY | SA | SA | SA | SA | SA | SA | SA | SA | | (1) | | | | (1) | | |
| LOUISIANA | | | AA | AA | | | | | | | | | | AA | | |
| MAINE | | | AA | AA | | | AA | AA | | | | | | | | |
| MARYLAND | AA | AA | AA | AA | AA | | AA | | | | | | | | | |
| MASSACHUSETTS | | | | | | | | | | | | | | | | |
| MICHIGAN | AA1 | | | | AA1 | | | | | | | | | | | |
| MINNESOTA | AA1 | | | | | | | | | | | | | | | |
| MISSISSIPPI | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA |
| MISSOURI | | | | | | | | | | | | | | | | |
| MONTANA | SA | | SA | SA | | | | | SA | | SA | SA | SA | | SA | SA |
| NEBRASKA | AA | | | | AA | | | | AA | | | | | AA | | |
| NEVADA | AA1 | AA1 | AA1 | | AA1 | AA1 | AA1 | | | | | | | | | |
| NEW HAMPSHIRE | SA | | | | SA | | | | SA | | | | SA | | | |
| NEW JERSEY | | | | | | | | | | | | | | | | |
| NEW MEXICO | AA | | AA | AA | | | | | | | | | AA | AA | AA | AA |
| NEW YORK | AA | | AA | AA | AA | | AA | AA | AA | | AA | AA | AA | AA | AA | AA |
| N. CAROLINA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA |
| N. DAKOTA | | | | | | | | | | | | | | | | |
| OHIO | AA | AA | AA | AA | AA | AA | AA | AA | | AA | AA | | | AA | AA | |
| OKLAHOMA | | AA | | | | SA1 | | | | AA | | | | AA | | |
| OREGON | AA | | | | AA | | | | AA | | | | | AA | | |
| PENNSYLVANIA | AA | AA | AA | AA | AA | AA | AA | AA | | | | | | | | |
| RHODE ISLAND | SA1 | | SA1 | SA1 | | | | | SA1 | | SA1 | SA | SA1 | | SA1 | SA |
| S. CAROLINA | AA | AA | | | AA | AA | | | AA | AA | | | AA | AA | | |
| S. DAKOTA | | | | | | | | | | | | | | | | |
| TENNESSEE | AA | SA1 | | AA | AA | SA1 | | AA | AA | AA | | AA | | | | |
| TEXAS | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA |
| UTAH | | | | | | | | | | | | | | | | |
| VERMONT | | | | | | | | | | | | | | | | |
| VIRGINIA | SA | SA | | SA | | | | | | | | | SA | SA | | SA |
| WASHINGTON | AA | | | | AA | | | | AA | | | | AA | | | |
| W. VIRGINIA | SA1 | AA | | | | | | | SA1 | AA | | | SA1 | AA | | |
| WISCONSIN | AA | AA | | | | | | | | | | | | | | |
| WYOMING | | | | | | | | | | | | | | | | |

AA=ALL APPLICANTS

SA=SOME APPLICANTS

TABLE E-3
TESTING REQUIREMENTS DURING CERTIFICATION PROCESS

| | POINT DURING THE CERT. PROCESS AT WHICH EXAM IS REQUIRED | | | | NO. OF TIMES THE CANDIDATE MAY RETAKE EXAM | | | | TIME THAT MUST ELAPSE BETWEEN RETAKES | | | | AGENCY THAT DEVELOPED EXAM | ADMINIS-TERING AGENCY |
|----------------|--|----------------|--------------------|-------------------|--|----------------|--------------------|-------------------|---------------------------------------|----------------|--------------------|-------------------|----------------------------|-----------------------|
| | Basic Skills | Subject Matter | Pedagogical Skills | General Knowledge | Basic Skills | Subject Matter | Pedagogical Skills | General Knowledge | Basic Skills | Subject Matter | Pedagogical Skills | General Knowledge | | |
| | | | | | | | | | | | | | 1 | 2 |
| ALABAMA | BA | BC | BC | BA | NL | NL | NL | NL | NL | NL | NL | NL | NES | NES(1) |
| ALASKA | | | | | | | | | | | | | | |
| ARIZONA | BA/BC | | BC | | 10 | | 10 | | NL | | NL | | ETS/NES/SEA | SEA/ETS |
| ARKANSAS | BA/BC | BC | BC | BA | NL | NL | NL | NL | NL | NL | NL | NL | ETS | IHE/ETS |
| CALIFORNIA | BA1/BC1 | BC2 | | | NL | NL | | | NL | NL | | | ETS | ETS |
| COLORADO | BA/BC | BC | BC | BC | 4 | | | | 0 or 1 | | | | SEA/IHE | IHE |
| CONNECTICUT | BA/BC | BC | BC | | NL | NL | NL | | NL | NL | (1) | | SEA/ETS/NES/IHE | ETS/SEA/ETS |
| DELAWARE | BC | | | | NL | | | | NL | | | | ETS | ETS |
| D.C. | | | | | | | | | | | | | | |
| FLORIDA | BC | | BC | BA | NL | | NL | NL | NL | | NL | NL | SEA/ETS | IHE/ETS |
| GEORGIA | | BC | BC | | | NL | 6/3 | | | 60DY | 50DY | | SEA/IHE/NES | SEA/IHE/NES |
| HAWAII | BC | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | ETS | ETS |
| IDAHO | BC | | BC | BC | NL | | NL | NL | NL | | NL | NL | ETS | ETS |
| ILLINOIS | BC | BC | | | NL | NL | | | NL | NL | | | NES | NES |
| INDIANA | BC | BC | | BC | NL | NL | | NL | NL | NL | | NL | ETS | ETS |
| IOWA | | | | | | | | | | | | | | |
| KANSAS | BC | | BC | | NL | | NL | | NL | | NL | | ETS | ETS |
| KENTUCKY | BA | BC | BC | BC | NL1 | NL | NL | NL | NL | NL | NL | NL | ETS2 | ETS |
| LOUISIANA | | BC | BC | BA/BC | | NL | NL | NL | | NL | NL | NL | ETS | ETS |
| MAINE | | | BC | BC | | | NL | NL | | | NL | NL | ETS | ETS |
| MARYLAND | BC | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | ETS | ETS |
| MASSACHUSETTS | BC | BC | | | NL | NL | | | NL | NL | | | (1) | (1) |
| MICHIGAN | | | | | | | | | | | | | | |
| MINNESOTA | BC | BC | | | NL | NL | | | NL | NL | | | ETS(1) | ETS(1) |
| MISSISSIPPI | BA1/BC | BC | BC | BA1/BC | NL | NL | NL | NL | NL | NL | NL | NL | ETS(2) | ETS |
| MISSOURI | BA | | | | NL | | | | (1) | | | | SEA | SEA |
| MONTANA | BC | | BC | BC | NL | | NL | NL | NL | | NL | NL | ETS | ETS |
| NEBRASKA | BA | | | | NL | | | | NL | | | | ETS | ETS |
| NEVADA | BA/BC | BC | BC | | NL | NL | NL | | NL | NL | NL | | (2) | (2) |
| NEW HAMPSHIRE | BC | | | | NL | | | | NL | | | | ETS | ETS |
| NEW JERSEY | BA | BC | | BC | | NL | | NL | | NL | | NL | ETS(1) | ETS(1) |
| NEW MEXICO | BA/BC | BC | BC | BA/BC | NL | NL | NL | NL | NL | NL | NL | NL | IHE/ETS | IHE/ETS |
| NEW YORK | BC | | BC | BC | NL | | NL | NL | NL | | NL | NL | ETS | ETS |
| NORTH CAROLINA | BA | BC | BC | BA | NL | NL | NL | NL | NL | NL | NL | NL | ETS | ETS |
| NORTH DAKOTA | | | | | | | | | | | | | | |
| OHIO | BA | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | (1) | (1) |
| OKLAHOMA | | BC | | | | NL | | | | NL | | | SEA/NES | SEA/NES |
| OREGON | BC | | | | NL | | | | NL | | | | ETS | ETS |
| PENNSYLVANIA | BC | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | SEA/ETS | SEA/ETS |
| RHODE ISLAND | BC | | BC | BC | NL | | NL | NL | NL | | NL | NL | ETS | ETS |
| SOUTH CAROLINA | BA | BC | BC | | 3 | NL | NL | | NL | NL | NL | | SEA/ETS | ETS |
| SOUTH DAKOTA | | | | | | | | | | | | | | |
| TENNESSEE | BA/BC | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | ETS | ETS |
| TEXAS | BA | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | ETS/NES | ETS/NES |
| UTAH | | | | | | | | | | | | | | |
| VERMONT | | | | | | | | | | | | | | |
| VIRGINIA | BC | BC | BC | BC | NL | NL | NL | NL | NL | NL | NL | NL | ETS | ETS |
| WASHINGTON | BA | | | | NL | | | | NL | | | | IHE | IHE |
| WEST VIRGINIA | BA | BC | | | NL | NL | | | NL | NL | | | ETS/NES | ETS/NES |
| WISCONSIN | BA1 | BC | | | | | | | | | | | ETS(2) | ETS(2) |
| WYOMING | | | | | | | | | | | | | | |

BA-BEFORE ADMISSION
BC-BEFORE CERTIFICATION
NL-NO LIMIT
SEA-STATE EDUCATION AGENCY

ETS-EDUCATIONAL TESTING SERVICE
IHE-INSTITUTION OF HIGHER EDUCATION
NES-NATIONAL EVALUATION SYSTEMS

TABLE E-4
FREQUENCY OF TEST ADMINISTRATION AND WHO ADMINISTORS

| | BASIC SKILLS | | SUBJ. MATTER KNOW. | | PEDAGOGICAL SKILLS | | GENERAL KNOWLEDGE | |
|----------------|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|
| | Frequency (# of times Per year) | Administered by | Frequency | Administered by | Frequency | Administered by | Frequency | Administered by |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| ALABAMA | 4 | NES | 3 | NES | 3 | NES | | |
| ALASKA | | | | | | | | |
| ARIZONA | 10 | SEA | | | 10 | SEA | | |
| ARKANSAS | (1) | IHE | 3 | IHE | 3 | IHE | 3 | IHE |
| CALIFORNIA | 4 | ETS | 4 | ETS | | | | |
| COLORADO | (1) | IHE | (1) | IHE | (1) | IHE | (1) | IHE |
| CONNECTICUT | 4 | NES | 3 | ETS | (1) | LEA | | |
| DELAWARE | 4 | ETS | | | | | | |
| D.C. | | | | | | | | |
| FLORIDA | 3 | ETS | | | 3 | ETS | 3 | ETS |
| GEORGIA | | | 3 | SEA/NES | 2 | SEA(1) | | |
| HAWAII | 3 | ETS | 3 | ETS | 3 | ETS | 3 | ETS |
| IDAHO | 3 | ETS | | | 3 | ETS | 3 | ETS |
| ILLINOIS | 4 | NES | 4 | NES | | | | |
| INDIANA | | | 3 | ETS | 3 | ETS | 3 | ETS |
| IOWA | | | | | | | | |
| KANSAS | 4 | ETS | | | 4 | ETS | | |
| KENTUCKY | (1) | IHE | 2 | IHE | 2 | IHE | 2 | IHE |
| LOUISIANA | | | 3 | ETS | 3 | ETS | 3 | ETS |
| MAINE | | | | | 3 | ETS | 3 | ETS |
| MARYLAND | 3 | ETS | 3 | ETS | 3 | ETS | 3 | ETS |
| MASSACHUSETTS | 3 | (1) | 3 | (1) | | | | |
| MICHIGAN | (1) | IHE | (1) | IHE | | | | |
| MINNESOTA | 4 | ETS | | | | | | |
| MISSISSIPPI | 5 | ETS | 5 | ETS | 5 | ETS | 5 | ETS |
| MISSOURI | | | | | | | | |
| MONTANA | (1) | ETS/SEA | | | (1) | ETS/SEA | (1) | ETS/SEA |
| NEBRASKA | 9 | SEA/IHE | | | | | | |
| NEVADA | 3 | (1) | | | | | | |
| NEW HAMPSHIRE | 10+ | IHE | | | | | | |
| NEW JERSEY | 2 | IHE | 3 | ETS | | | 3 | ETS |
| NEW MEXICO | 3 | ETS | 3 | ETS | 3 | ETS | 3 | ETS |
| NEW YORK | 3 | ETS | | | 3 | ETS | 3 | ETS |
| NORTH CAROLINA | 3 | ETS | 3 | ETS | 3 | ETS | 3 | ETS |
| NORTH DAKOTA | | | | | | | | |
| OHIO | | | | | | | | |
| OKLAHOMA | | | 3 | NES | | | | |
| OREGON | 6 | ETS | 3 | ETS | | | | |
| PENNSYLVANIA | 3 | ETS | 3 | ETS | 3 | ETS | 3 | ETS |
| RHODE ISLAND | 3 | ETS | | | 3 | ETS | 3 | ETS |
| SOUTH CAROLINA | 3 | ETS | 3 | ETS | 3 | ETS | | |
| SOUTH DAKOTA | | | | | | | | |
| TENNESSEE | 4 | ETS | 3 | IHE | 3 | ETS | 3 | ETS |
| TEXAS | 3 | ETS | 3 | NES | 3 | NES | | |
| UTAH | | | | | | | | |
| VERMONT | | | | | | | | |
| VIRGINIA | 3 | ETS | 3 | ETS | 3 | ETS | 3 | ETS |
| WASHINGTON | (1) | IHE | | | | | | |
| WEST VIRGINIA | 3 | ETS | 3 | NES | | | | |
| WISCONSIN | (1) | (1) | (1) | (1) | | | | |
| WYOMING | | | | | | | | |

ETS-EDUCATIONAL TESTING SERVICE
IHE-INSTITUTION OF HIGHER EDUCATION

NES-NATIONAL EVALUATION SYSTEMS
SEA-STATE EDUCATION AGENCY
LEA-Local Education Agency

FOOTNOTES

TABLE E-4

ARKANSAS

1. As needed.

COLORADO

1. Variable.

CONNECTICUT

1. Variable.

GEORGIA

1. Regional assessment centers.

KENTUCKY

1. Frequency varies by institution of higher education.

MASSACHUSETTS

1. To be determined.

MICHIGAN

1. To be determined.

MONTANA

1. Variable.

NEVADA

1. To be determined.

WASHINGTON

1. Variable.

WISCONSIN

1. To be determined.

DELAWARE

1. Utilizes PPST

ILLINOIS

1. Grammar Skills

KANSAS

1. Utilizes PPST

KENTUCKY

1. Spelling

MICHIGAN

1. Examination to be determined.

MINNESOTA

1. Utilizes PPST

NEBRASKA

1. Utilizes PPST

NEVADA

1. Utilizes PPST

NEW HAMPSHIRE

1. Utilizes PPST

TENNESSEE

1. Utilizes PPST

TEXAS

1. Utilizes PPST--in process of developing a Texas test.

WEST VIRGINIA

1. Utilizes PPST

WISCONSIN

1. Utilizes PPST

TABLE E-5

ALABAMA

1. Grammar skills; spoken English proficiency (teacher education institution).

ARIZONA

1. Utilizes PPST
2. Grammar Skills

COLORADO

1. Spelling

FOOTNOTES

TABLE E-7

ALABAMA

1. Customized professional skills examination test, performance utilized or in planning.

ARIZONA

1. Customized professional skills examination test, performance utilized or in planning.

FLORIDA

1. Customized professional skills examination test, performance utilized or in planning.

GEORGIA

1. Customized professional skills examination test, performance utilized or in planning.

TEXAS

1. Customized professional skills examination test, performance utilized or in planning.

TABLE E-8

CALIFORNIA

1. Commission on Teacher Credentialing.

CONNECTICUT

1. In process.

KENTUCKY

1. Assessment Associates of California.

MINNESOTA

1. State Board of Teaching.

MISSOURI

1. To be implemented in 1988.

OKLAHOMA

1. Regents for Higher Education.

OREGON

1. Teacher Standards and Practices Commission.

SOUTH CAROLINA

1. In process.

WASHINGTON

1. In process.

TABLE E-9

FOOTNOTES

ALABAMA

1. Currently in litigation which was filed originally in December 1981.

GEORGIA

1. Civil Action No. C86-2234A9 1987. Georgia Association of Educators vs. State of Georgia; Georgia State Board of Education.

MICHIGAN

1. To be determined.

NORTH CAROLINA

1. Court suit on NTE filed by the U.S. Department of Justice in 1973 and heard by the Federal Court in 1975 and 1977. Settled out-of-court by consent in 1983.

SOUTH CAROLINA

1. 1976 U.S. Supreme Court case-ruled in favor of the State requiring NTE for purposes of teacher certification.

TEXAS

1. Federal District Court, Eastern District of Texas; G. I. Forum and NAACP vs. State of Texas, August 1985.
2. State District Court, Lara vs. State of Texas.

TM

Working Papers Toward A

NEW GENERATION OF TEACHER ASSESSMENTS

Educational Testing Service

September 1989

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New Generation of Teacher Assessments
Working Description of Stage I
September 1989

Stage I of the successor to the NTE will center on the enabling or basic skills needed by the beginning teacher in the areas of mathematics, reading, and writing. There are three major components proposed for Stage I in each of these subject areas: a decision test, an instructional component to prepare students to take or retake the decision test, and a practice test that will suggest whether a student is ready to take or retake the decision test.

DECISION TEST

The decision tests will be used by a state to decide whether prospective teachers have the enabling skills the state requires of the beginning teacher. These tests, of course, could be taken at any time, but best fit with the instructional thrust of Stage I if they are taken fairly early in a teacher-education student's studies, possibly when he/she is at the end of a third semester or at the beginning of a fourth. Initial results from an extensive job analysis survey that is being given to teachers, teacher educators, and other leaders in the field of teacher education suggest that mathematics, reading, and writing will be the enabling skills that are most often cited as necessary for the beginning teacher. Our goal is to create a system that is flexible enough to permit states to choose in which of these subject areas they wish to assess their prospective teachers.

Our initial plans are for computerized decision tests. Technology will permit us to develop tests that can, with relatively few questions, determine whether a prospective teacher has the level of competency in a subject area required by the state. In the hope of giving more useful information than a single score in a content area, we are investigating the possibility of including on the score report descriptors of what a student who gets a particular score can do. For example, a student might be told that his/her test results in mathematics suggest that he/she can add, subtract, multiply, and divide whole numbers and fractions.

Computerization will also permit us to vary the test question format: for example, in mathematics, students can be asked to supply, rather than simply select, the correct answer to a problem; in reading, they may be asked questions requiring short answers. Also, if the tests are computerized, students can, if the state so decides, be informed immediately after they complete their decision tests about which of the tests they have passed or failed. Those who do not pass a decision test

This paper was prepared by Paul A. Ramsey, Development Leader

will also be informed of the Stage I instructional materials they may use to prepare to retake the failed decision test(s).

INSTRUCTIONAL COMPONENT

A tripartite computer-delivered instructional component in each content area, consisting of a diagnostic or profile test, instructional modules with mini-tests, and a practice test parallel to the decision test, is planned for Stage I. The purpose of a diagnostic or profile test is to give students a profile of or information about some of the specific areas on which they need to work before taking or retaking the decision test. Our goal is to break the subject areas up into meaningful units of knowledge around which helpful instructional materials can be devised. Take, for the sake of example, the area of reading: the profile reading test might break reading skills up into eight areas: understanding the main idea, inferences, etc. Students would be given questions on the profile test in each of these areas and then told how they performed on these questions. If a student got a certain number of the questions in an area wrong, then the computer program would suggest that he/she work through the materials devised to give instruction in this specific area. These materials should include decision-test-like questions, explanations of why particular answers to these questions are right and others wrong, as well as other non-test-question exercises. To supplement these computerized materials, we plan to produce some paper and pencil exercises and perhaps some instructional materials delivered via videotapes.

Either during the presentation of the computerized instructional materials or right after their presentation, there should be some decision-test-like questions that will suggest to students whether they are improving or learning the information that is being presented. Once they have answered a certain percentage of these questions correctly in each of the units the profile test suggested they needed work, they can take the practice test.

PRACTICE TEST

The computerized practice test in each content area will parallel the decision test in that area. If a student passes the practice test, he/she should be ready to take and pass the decision test. If he/she fails the practice test, he/she should again take the profile test and again work through the instructional materials. Though no one can assure a student that he/she will pass the decision test if he/she passes the practice test, we should, after gathering data, be able to suggest some probability for success, such as 80% of the students who received this score on this practice test went on to pass the decision test. In all, the profile test, the complete set of instructional materials in a content area, and the practice test should constitute about 20 to 30 hours worth of work for a student in a subject area. Our plan is to design these materials so that they can be used as a part of a course, in a learning laboratory, or independently by students.

NEW GENERATION OF TEACHER ASSESSMENTS
WORKING DESCRIPTION OF STAGE II
SEPTEMBER 1989

The Stage II tests will measure subject matter knowledge, pedagogy, and, to some extent, subject matter pedagogy. Included among these tests are the French exam for French teachers, the Math exam for Math teachers, etc. They will normally be taken after completion of an undergraduate program. Our goal is to have the first twenty Stage II tests ready for administration in fall 1992. (See the list of tests included at the end of this statement.) According to our present plans, they will differ from current NTE Specialty Area tests in several important respects.

Modularization

Stage II tests will be modularized, allowing states to choose the modules that best match their own regulations. Each test will present a core content module to be taken in every state, along with an a la carte menu of optional modules. The goal is to offer essential content that is comparable from state to state, while providing flexibility and new dimensions of assessment through the optional modules. States will benefit from modularization, and individual test takers will be accommodated as well. It will be possible, for example, for an examinee in South Carolina who wants to take the modules required in New York to do this in South Carolina. An examinee who wishes to take one or more modules at a later date to qualify for licensure in another state will be able to do so.

Non-Multiple-Choice Options

Stage II tests will contain multiple-choice questions, but they will also present questions (ranging from short-answer items to essay prompts) requiring examinees to construct their own responses. These "constructed-response" questions will tap subject matter knowledge that cannot be assessed as well through multiple-choice questions. For example, examinees can be asked to interpret a poem for the English test, explain various perspectives on an issue for the Social Studies test, solve a problem (or analyze apparent misconceptions and problem solving strategies of students in a content-specific pedagogy module) for the Mathematics test, analyze a videotaped or recorded presentation for the Guidance Counselor test, or demonstrate speaking competence for a foreign language test.

This report was prepared by Douglass Fiero, Project Director for Stage II, New Generation of Teacher Assessments.

Working Description of Stage II

Pedagogy

Knowledge about students and how to teach them will be assessed in two ways in the Stage II tests. First, where appropriate, tests will have optional modules devoted to content-specific pedagogy. Questions in these modules will explore the subject matter in terms of student preconceptions and misconceptions, ways of representing the content to students, curriculum resources, and evaluative strategies. States that want an assessment of examinees' knowledge about how to teach particular subjects can require the content-specific pedagogy modules. States that do not want such an assessment can instead have a test that is devoted strictly to content. Second, Stage II will offer a separate test of general pedagogical knowledge. It will focus on basic principles of learning, human growth and development, and effective instruction. States that want an assessment of examinees' knowledge of this educational subject matter can require this test, which will have constructed-response as well as multiple-choice questions.

Stage II Tests That We Plan to Make Available in 1992

Art Education
Biology
Biology and General Science
Business Education
Chemistry
Chemistry, Physics, and General Science
Early Childhood Education
Educational Leadership: Administration and Supervision
Education of Mentally Retarded Students
Elementary School Teachers Test
English Language and Literature
General Pedagogy
Introduction to the Teaching of Reading
Mathematics
Music
Physical Education
Physics
Social Studies
Spanish
Special Education

We will issue other new Stage II tests at a regular rate in the years following 1992.

NEW GENERATION OF TEACHER ASSESSMENTS
WORKING DESCRIPTION OF STAGE III
SEPTEMBER 1989

Stage III of the new generation of teacher assessments will measure the application of content and pedagogical knowledge and skill. Specifically, Stage III aims to assess some of the things that teachers actually do. Assessment of the application of knowledge and skills should take place after an individual has had substantial opportunity to practice teaching. In some programs or states, student teaching may provide sufficient depth of experiences to serve as the basis for the foundational elements of Stage III. In other states, the Stage III assessments might be carried farther, into states' beginning teacher programs. This reflects a view of teacher education as encompassing both formal training and the learning that occurs in the school setting during the induction phase of a teacher's career.

What We Will Assess

The domains of teaching that we will be concerned with in Stage III will most likely include: Planning for Instruction, Implementing Instruction, Classroom Management, Student Evaluation, and perhaps Reflection on Teaching. The results of recent job analyses, analyses of state regulations governing teacher licensing, research on a theoretical framework of teaching, and research on various classroom observation systems should help us make final decisions about the products and services of Stage III. It is expected that most Stage III systems will include both actual classroom observation of beginning teachers by trained teacher and/or college teams and independent, standardized documentation of classroom practices.

Methods of Assessment

In Stage III, a menu of possible assessments will be offered to assist states in determining if beginning teachers have the necessary knowledge and skills to teach in a particular state. Some of the items on that menu might include:

This report was prepared by Sue Street, Program Administrator, New Generation of Teacher Assessments.

Working Description of Stage III

A. CLASSROOM OBSERVATION -

The key method of assessing the application of teacher knowledge in Stage III will most likely include an observation system. This observation system would be designed to be applicable to college students near the end of their student teaching experience or first-year teachers, hopefully participating in an internship with a mentor. The system would consist of the recommended procedures for the observations, including such items as the acceptable number range of separate observations of an individual, independence of observers, time of observations, system for making observations and arriving at ratings, and rating schemes for judging performance.

A system for training observers/raters to do the observations and rate or judge the performance would be a core component offering of Stage III. A state would need a number of such observers/raters to implement a Stage III assessment of the type described above and would probably want these observers/raters to be their own teachers, administrators, and/or teacher educators, depending on the level and context of the Stage III assessment. Such a training system would presumably include video components along with materials for trainees (training manuals, scoring sheets, etc.) and detailed outlines of topics to be addressed in the training. It would also have to include standards that trainees would have to meet for certification as observers/raters.

An extension of the system for training observers/raters is a system for training the trainers. Each state would need a much smaller number of persons to train the observers/raters; but they would almost surely want these people to be in-state persons as well. Thus, ETS could provide the training for a small cadre of trainers in each participating state. These training teams would most likely include an ETS staff member thoroughly prepared for this task and with teaching experience and an outstanding teacher, also with experience and specialized preparation.

An additional Stage III offering to states might be a process audit of the classroom observation system. A process audit would be designed to insure continuing quality of the training of observers/raters and of the process of observing/rating potential teachers, if the state or someone else ran the process. This service would involve checking training to insure high quality as well as spot checking the actual observation/rating process to insure its continuation as intended and with high standards.

Working Description of Stage III

With the capabilities described above, ETS could then offer the following services to states in regard to classroom observation:

- 1) Training a cadre of in-state trainers and providing training materials (Core Service)
- 2) Management of the training of observers/raters (Optional Service)
- 3) Management of the observation/rating process for potential teachers (Optional Service)
- 4) Process audit of the classroom observation system (Optional Service).

B. STANDARDIZED WORK SAMPLES -

Development and assessment of standardized work samples would include written work samples created by the teacher during her/his initial teaching experiences. The process of developing these samples would have two purposes: (1) it would serve as a training experience for the beginning teacher; and (2) it would be a standardized procedure that would form the basis of an assessment for licensing purposes. Beginning teachers might develop such a portfolio to demonstrate their skills in such activities as planning, managing, or evaluating students. Development of the beginning teacher's work samples could be supervised and assisted by an experienced teacher. In some states, the mentors might be local teachers or teams of district and/or college supervisory personnel. Standardized work samples could then be scored by state educators trained by ETS and could serve as the basis for questions that could be scored. The assessment of standardized work samples may be designed to coordinate with the classroom observation system or may be scored separately.

C. CONSTRUCTED RESPONSE TEST -

A constructed-response assessment of pedagogical knowledge and skills is envisioned as taking place at a school or at a higher education institution testing center for a period of not more than one day. It would test a teacher's knowledge and skill in dealing with specific teaching situations. Stimuli may be written, video, interactive video, or on computer and responses would be written and holistically scored. The rationale for offering this method of assessment is that it would provide a method for measuring particular kinds of teaching activities/behaviors that would be expected of licensed teachers and that may not necessarily show up during scheduled classroom observations. Before extensive development of this kind of assessment continues, ETS must be convinced that there is both a need and a market for this type of assessment.

Working Description of Stage III

Summary

Because Stage III represents a significant departure from the traditional ETS teacher testing programs, it requires more research than Stages I and II. Final assumptions about the design of Stage III's new products and services have not yet been crystallized. The description above provides an up-to-date picture of where Stage III development is today. Discussions with key groups and individuals are still needed before more extensive prototype development can proceed.



STATE-MANDATED TESTING OF PROSPECTIVE TEACHERS:
TEST USED AND PURPOSE

ETS NTE Core Battery, * for certification:

| | | |
|--------------|---------------|--------------------|
| Arkansas*** | Louisiana**** | New Mexico |
| California** | Maine | New York |
| Hawaii | Maryland | North Carolina**** |
| Idaho | Mississippi | Oregon*** |
| Indiana | Montana | Rhode Island |
| Kansas*** | Nevada*** | Tennessee |
| Kentucky | New Jersey** | Virginia |

ETS NTE Specialty Area (subject matter) Tests, for certification:

| | |
|---------------------------------|--|
| Arkansas | Mississippi |
| California (in lieu of courses) | Nevada |
| Connecticut | New Jersey |
| Florida | North Carolina |
| Hawaii | Ohio |
| Indiana | Oregon (admission to student teaching) |
| Kentucky | South Carolina |
| Louisiana | Tennessee |
| Maryland | Virginia |

ETS Pre-Professional Skills Tests (PPST: reading, writing, mathematics), for certification:

| | |
|----------|------------------------------|
| Delaware | Maine (vocational personnel) |
| Kansas | Minnesota |
| | West Virginia |

ETS Pre-Professional Skills Tests, for admission into teacher education:

| | |
|------------------------------|-----------|
| Arizona (State Univ. System) | Nevada |
| Arkansas | Tennessee |
| Indiana (State Univ. System) | Texas |
| Nebraska | Wisconsin |

-
- * Tests of professional knowledge, general knowledge, and communication skills.
 - ** General Knowledge, in lieu of courses
 - *** Professional Knowledge
 - **** Comm. Skills and Gen. Know. used in teacher educ. admissions

State-conceived and/or developed tests:

Alabama: English language proficiency, teacher educ. admis.
Arizona: basic skills/pedagogy, certification
Connecticut: basic skills, teacher educ. admis./initial certif.
Florida: basic skills/professional knowledge, certification
Indiana: tailored subject exams (ETS developed), certification
Missouri: basic skills, teacher educ. admis.
Pennsylvania: basic skills/general knowledge/professional
knowledge/subject matter (ETS developed), certif.
South Carolina: basic skills, teacher education admission

Tests developed by National Evaluation Systems (NES):

Georgia, Illinois, Oklahoma, Texas, West Virginia: subject matter,
certification; Texas, basic skills, teacher educ. admis.

California Basic Educational Skills Test (CBEST); reading, writing,
mathematics (operated by ETS for the State of California):

California: certification

Oregon: certification, teacher educ. admis. (public institutions)

Instruments for observational assessment of teaching performance:

| | |
|---------------------------------|----------------------------------|
| -Arizona | Pennsylvania (under development) |
| Connecticut (under development) | Rhode Island |
| Florida | South Carolina |
| Georgia | Tennessee |
| Kansas (under development) | Texas |
| Minnesota (under development) | Virginia |
| North Carolina | West Virginia |
| Oklahoma | |

Proposals, legislation, plans:

Arkansas: subject area (or 6 course hours), continuing certification

California: customization of NTE Spec. Area tests currently
used/development of a new exam for elementary
teachers, certification

Colorado: professional and general education/subject area knowledge,
full certification

Connecticut: elementary education (content/pedagogy), initial certif.
(under development by IOX); subject matter, initial certifi-
cation; semi-structured interviews (subject/pedagogy),
beginning teacher assessment

District of Columbia: NTE Communication Skills, initial certification.

Florida: subject matter, initial certification (under development by eight
Florida universities)

Hawaii: additional subject exams, initial certification

Indiana: additional subject exams, initial certification

Massachusetts: subject matter, initial certif.; reading/writing, initial
certif. (to be developed by IOX)

Michigan: basic skills/subject matter, prior to student teaching

Missouri: professional and subject knowledge, "exit test" (certification)

Nebraska: subject matter, initial certification

New Jersey: communication skills, initial certification; test for
certifying principals

New York: subject area, general knowledge, clinical teaching skill,
certification

Oklahoma: basic skills, teacher educ. admis.

Oregon: exams for non-teaching specialists

Rhode Island: subject matter, initial certification of ancillary
(non-teaching) personnel

Tennessee: 12 subject matter exams, additional to NTE Specialty Area
tests currently used (under development by the University of
Tennessee, Memphis State Univ. and ETS)

Texas: Master Teacher Examination

REVISED -
October 27, 1989

ETS - Berkeley/Oakland
P.4

Proposals legislation, plans: (continued)

Washington: pedagogy, exit exam/initial certif.

Wisconsin: subject area, certification

Alternative Licensure/Certification Policies:

In Effect

Alabama
Arizona
Arkansas
Delaware
California
Louisiana
Maryland
Massachusetts
New Mexico
Ohio
Pennsylvania
South Carolina
Texas
Virginia

Proposed

Colorado
Connecticut
Georgia
Idaho
Indiana
Maine
West Virginia

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Requirements for issuance of a teachers certificate
 Sponsor: Adams
 Requestor: Adams

Agency Affected: Education
 BRU: Education & Finance Support Services
 Component: District Support

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 91 | FY 92 | FY 93 | FY 94 | FY 95 | FY 96 |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| PERSONAL SERVICES | 55.5 | 56.8 | 58.2 | 59.7 | 61.0 | 62.6 |
| TRAVEL | 65.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| CONTRACTUAL | 269.3 | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 |
| SUPPLIES | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| EQUIPMENT | 5.2 | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 400.0 | 141.8 | 143.2 | 144.7 | 146.0 | 147.6 |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND | 400.0 | 141.8 | 143.2 | 144.7 | 146.0 | 147.6 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | | | | | | |

POSITIONS:

| | | | | | | |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 1 | 1 | 1 | 1 | 1 | 1 |
| PART-TIME | 1 | 1 | 1 | 1 | 1 | 1 |
| TEMPORARY | | | | | | |

ANALYSIS : (Attach a separate page if necessary)

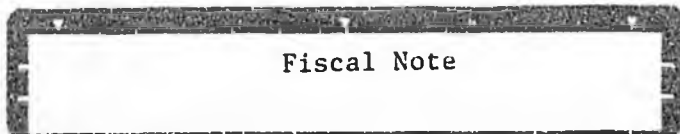
The fiscal note assumes development and implementation of an Alaskan-based testing program including all field testing, training, test design and adoption procedures.

Prepared by: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 1/22/90

Approved by Commissioner: William G. Demmert Date: 1/22/90
 Agency: Education

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)



DEPARTMENT OF EDUCATION

FISCAL NOTE ANALYSIS

1/22/90

SB 193 Requirements for issuance of a teacher certificate

(Fiscal Note assumes development and adoption of an Alaska-based teacher testing program)

Personal Services: \$55.5

| | |
|---|--------|
| 1 FT Education Associate II, Range 15 A | \$41.3 |
| (Fiscal note assumes merit increases) | |
| 1 PT Clerk Typist III, Range 8 A | \$14.2 |

Travel: \$65.0 in first year; \$20.0 in subsequent years

First year cost reflects travel incurred for meetings of an Alaskan panel to develop an Alaska-based teacher testing program. Travel also includes meetings with professional education associations to distribute information about the proposed testing program.

In second and subsequent years training of professionals and para-professionals in test administration, establishment of grievance procedures and continued analysis and refinement of the testing instrument will be needed.

Contractual: \$269.3 in first year; \$60.0 in subsequent years

Contract to develop Alaskan testing instrument. Development costs include drafting testing instrument, field testing, establishing cut-off scores, coordination with professional education associations in test development process, et.al. The cost also includes limited computer programming to integrate data into the existing teacher certification data base, telephone, printing of bulletins, printing of test, photocopying and postage. Continuing costs include training, refinement of testing instrument, publication cost of test and contract for test implementation (scoring, reporting, etc.)

Commodities: \$5.0

Costs include general office supplies as well as brochure/information on Alaska's testing program, to be distributed to all teacher certification applicants.

Equipment: \$5.2 in first year

In the first year, office equipment will be needed by the Teacher Certification Unit to accommodate the part time position and increased workload. This includes: desk, chair, telephone, typewriter, small file cabinet and partition walls.

| | | | | |
|--|----------------------|--|--------------------|-------------------|
| Position Title Education Associate II | | No. of Positions 1 | Range/Step 15 A | Barg. Unit GGU |
| Time Status FT | Staff Months 12.0 | Location Juneau | | Election District |
| Type of Expenditure | | Justification | | |
| 1 | 2 | 3 | | |
| Salary | 30,216 | <p>The Education Associate position will be responsible for coordination and development of the Alaskan-based teacher testing program.</p> <p>This function will require full time effort for at least the first two years of the project.</p> <p>The fiscal note assumes merit increases between FY91 and FY96.</p> <p>FY91: \$41,304 FY92: \$42,630 FY93: \$43,984 FY94: \$45,469 FY95: \$46,795 FY96: \$48,382</p> | | |
| Benefits | 11,088 | | | |
| Premium Pay | | | | |
| Other | | | | |
| Total Personal Services | | | | |
| Travel | | | | |
| Contractual | | | | |
| Commodities | | | | |
| Equipment | | | | |
| Other | | | | |
| Total Cost | | 41,304 | | |
| Funding Source for Total Cost | | | | |
| Federal Receipts | 1002 | | | |
| G. F. Match | 1003 | | | |
| General Fund | 1004 | 41,304 | | |
| I-A Receipts | 1006 | | | |
| CIP Receipts | 1061 | | | |
| Other | | | | |

**Request For
New Position**

Agency Education
BRU Education Finance & Support
Component District Support

Page 3 of 4
Revised Date

FY 90

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Requirements for issuance of a
teacher certificate
 Sponsor: Adams
 Requestor: Adams

Agency Affected: Education
 BRU: Education Finance and Support
 Components: District Support

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 91 | FY 92 | FY 93 | FY 94 | FY 95 | FY 96 |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PERSONAL SERVICES | 14.2 | 14.2 | 14.2 | 14.2 | 14.2 | 14.2 |
| TRAVEL | 65.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| CONTRACTUAL | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| SUPPLIES | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| EQUIPMENT | 5.2 | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 88.4 | 38.2 | 38.2 | 38.2 | 38.2 | 38.2 |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|---------|--|--|--|--|--|--|
| REVENUE | | | | | | |
|---------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|------|------|------|------|------|------|
| GENERAL FUND | 88.4 | 38.2 | 38.2 | 38.2 | 38.2 | 38.2 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | | | | | | |

POSITIONS:

| | | | | | | |
|-----------|---|---|---|---|---|---|
| FULL-TIME | | | | | | |
| PART-TIME | 1 | 1 | 1 | 1 | 1 | 1 |
| TEMPORARY | | | | | | |

ANALYSIS : (Attach a separate page if necessary)

Fiscal note assumes adoption of National Teachers Examination (NTE) testing program. First year cost includes travel by NTE staff and educators to establish Alaskan cut-off scores and test validity in Alaska.

Prepared by: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 1/19/90

Approved by Commissioner: William G. Demmert Date: 1/ /90
 Agency: Education

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

DEPARTMENT OF EDUCATION

FISCAL NOTE ANALYSIS

1/22/90

SB 193 Requirements for issuance of a teacher certificate

(Fiscal Note assumes adoption of the National Teachers' Examination as Alaska's standard)

Personal Services: \$14.2

1 PT Clerk Typist III, Range 8 A \$14.2

Travel: \$65.0 in first year; \$20.0 in subsequent years

First year cost reflects travel incurred for meetings of an Alaskan panel to establish National Teacher Examination (NTE) cut-off scores and test validity for Alaska. This is a requirement of NTE for all States using the NTE for purposes of teacher certification. Travel also includes the necessary training for professional and para-professionals in administration of the test and attendance at select statewide conferences to provide information on the testing program. The estimated time to establish test validity and cut-off scores: 6 months.

In second and subsequent fiscal years travel funds are necessary for continued training and test administration.

Contractual: \$3.0

Limited computer programming to integrate data into the existing teacher certification data base. Other costs include telephone, printing of bulletins, photocopying and postage.

Commodities: \$1.0

Office supplies

Equipment: \$5.2 in first year

In the first year, office equipment will be needed by the Teacher Certification Unit to accommodate the part time position and increased workload. This includes: desk, chair, telephone, typewriter, small file cabinet and partition walls.

| | | | | |
|---|---------------------|-----------------------|------------------|-------------------|
| Position Title Clerk Typist III | | No. of Positions 1 | Range/Step 8A | Barg. Unit GGJ |
| Time Status Part Time | Staff Months 6.0 | Location Juneau | | Election District |
| Justification | | | | |
| The Clerk Typist III will handle all incoming calls, requests for information and track teacher certification applicants for the purposes of the certification testing program. | | | | |
| Since the requested position is half time, no merit increases are assumed over the timeframe FY91-FY96. | | | | |
| Type of Expenditure | | Amount | | |
| 1 | 2 | 3 | | |
| Salary | \$9,789 | | | |
| Benefits | 4,407 | | | |
| Premium Pay | | | | |
| Other | | | | |
| Total Personal Services | | \$14,196 | | |
| Travel | | | | |
| Contractual | | | | |
| Commodities | | | | |
| Equipment | | | | |
| Other | | | | |
| Total Cost | | | | |
| Funding Source for Total Cost | | | | |
| Federal Receipts | 1002 | | | |
| G. F. Match | 1003 | | | |
| General Fund | 1004 | 14,196 | | |
| I-A Receipts | 1006 | | | |
| CIP Receipts | 1061 | | | |
| Other | | | | |

**Request For
New Position**

Agency EDUCATION
 BRU Education Finance & Support
 Component District Support

Page 3 of 3
 Revised Date

FY 90

6-0783H ✓
Cramer
1/22/90

Original Sponsor(s): SEN. ADAMS

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 193 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to requirements for issuance of a
7 teacher certificate."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 14.07.020(a) is amended by adding a new paragraph to
10 read:

11 (15) develop and administer a test to determine whether
12 applicants for a teacher certificate possess the knowledge and skills
13 required to teach in the state.

14 * Sec. 2. AS 14.20.020(a) is amended to read:

15 (a) The department shall issue a teacher certificate to every
16 person who meets the requirements in (b), [AND] (c), and (f) of this
17 section.

18 * Sec. 3. AS 14.20.020 is amended by adding a new subsection to read:

19 (f) A person is not eligible for a teacher certificate unless
20 the person has passed the test required under AS 14.07.020, testing
21 the knowledge and skills of the applicant. However, this subsection
22 is not applicable to

23 (1) persons employed in the state public school system on
24 May 1, 1992;

25 (2) persons issued an emergency certificate as set out in
26 (b)(2) of this section.
27
28
29

1 IN THE SENATE

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 193

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

For an Act entitled: "An Act relating to requirements for issuance of a teacher certificate."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 14.07.020(a) is amended by adding a new paragraph to read:

(15) develop and administer a written test to determine whether applicants for a teacher certificate possess the knowledge and skills required to teach in the state.

* Sec. 2. AS 14.20.020(a) is amended to read:

(a) The department shall issue a teacher certificate to every person who meets the requirements in (b), [AND] (c), and (f) of this section.

* Sec. 3. AS 14.20.020 is amended by adding a new subsection to read:

(f) A person is not eligible for a teacher certificate unless the person has passed the written test required under AS 14.07.020, testing the knowledge and skills of the applicant. However, this subsection is not applicable to

(1) persons employed in the state public school system on May 1, 1992;

(2) persons issued an emergency certificate as set out in (b)(2) of this section.

S B

194

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE 3/2/89
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER

JUD

**FISCAL NOTE(S) MUST BE ATTACHED
IN ACCORDANCE WITH AS 24.08.035

2/27/89

DATE TURNED INTO OFFICE 3/9/89

Mr. President:

HESS

Committee considered

SB 194

judicial review of school boards' nonretention or dismissal of teachers

and recommended:

replace with CS _____ same title

attached amendment(s) and new title

_____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

FISCAL NOTE(S) attached zero

appropriation no FN attached

fiscal impact

Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

Al Adams

OTHER RECOMMENDATIONS

Hoyt Brown (No Rec)
Tom Kelly (No Rec)
Jim Duncan (No Rec)

Paul Griffin

Chairman signature and recommendation

Committee backup attached

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

Position Paper

~~Senate Bill 194~~

The Association of Alaska School Boards encourages the support of SB 194 "an act relating to judicial review of School Boards' non-retention or dismissal of teachers."

The proposed legislation is seeking to define the School Board as an administrative agency under AS 22.10.021. As such, "the hearing on appeal from a final order or judgement of a subordinate court or administrative agency shall be on the record unless the superior court, in its discretion, grants a trial de novo, in whole or part."

The hearing process regarding non-retention or dismissal of teachers is necessary for fair protection of teacher rights. However, the process is time consuming and very costly to school districts. A trial de novo allows a teacher to appeal to the superior court for a new trial regardless of the finding of the hearing process. A school district must then repeat the process before the court and incur the financial cost once again thereby delaying the process.

The Association of Alaska School Boards respectfully requests that the Senate Hess Committee pass SB 194 and recognize School Boards as an administrative agency under 22.10.021.

could not reverse

De Novo Report



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

March 6, 1989

To: Senator Paul Fischer, Chair
Members, Senate HESS Committee

Re: Senate Bill No. 194; "An Act relating to judicial review of school board's nonretention or dismissal of teachers."

NEA-Alaska strongly opposes SB 194.

By placing constraint upon the latitude of the court in what it may consider and the remedy it may grant cuts the very heart out of the fundamental principle of due process and fair treatment under law.

AS 14.20.205 in its present form in providing access to a de novo trial in superior court not only assures due process but discourages arbitrary and capricious treatment of employees.

In far too many instances the school board or some of its members have already been party to discussion and even decisions to dismiss or nonretain employees even before the process reaches the hearing at the school board level.

To suggest that the process is impartial in all instances even under current law is to clearly stretch the imagination beyond reality. The presence of the potential for judicial review of a school board decision through a de novo trial is the one component in law that brings credibility to the school board hearing process.

Facts, as stated by a school board, should be able to withstand the scrutiny of the courts, especially when the employee disagrees with and contests the validity of the facts and any subsequent action by the school board which may lead to termination of employment and the person's source of income.

Section 2 of the proposed legislation has the effect of setting up a dual system of due process for employees in similar circumstances and may very well not stand the test of equal protection under the Alaska Constitution.

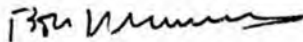
The answer to the alleged problem which brings this legislation forward is more thorough and conscientious pre-hire consideration of prospective employees by school district administrators and closer scrutiny of their recommendations for employment by the school boards.

Additionally, a better job in evaluation of employee performance consistent with the regulations of the Department of Education will further serve the best interests of school boards, employees and students.

NEA-Alaska strongly believes that the disruptive and adverse effect that this legislation would have on employees and their expectation of fair and equitable treatment under law is not in the public interest.

Thank you for your consideration of our position.

Respectfully submitted,



Bob Manners
Executive Secretary

cc: Senator Al Adams

m6mar1

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Judicial Review of School Boards' Nonretention or Dismissal of Teachers
 Sponsor: Adams
 Requestor: Senate HESS
 Agency Affected: Education
 BRU: K-12 Support
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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| CONTRACTUAL | | | | | | |
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| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | -0- | -0- | -0- | -0- | -0- | -0- |

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ANALYSIS : (Attach a separate page if necessary)

Prepared by: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 3/3/89
 Approved by Commissioner: William G. Demmert Date: 3/3/89
 Agency: Education

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Sec. 22.10.020. Jurisdiction of the superior court. (a) The superior court is the trial court of general jurisdiction, with original jurisdiction in all civil and criminal matters, including probate and guardianship of minors and incompetents. Except for a petition for injunctive relief under AS 25.35.010 or 25.35.020, an action that falls within the concurrent jurisdiction of the superior court and the district court may not be filed in the superior court, except as provided by rules of the supreme court.

(b) The jurisdiction of the superior court extends over the whole of the state.

(c) The superior court and its judges may issue injunctions, writs of review, mandamus, prohibition, habeas corpus, and all other writs necessary or proper to the complete exercise of its jurisdiction. A writ of habeas corpus may be made returnable before any judge of the superior court.

(d) The superior court has jurisdiction in all matters appealed to it from a subordinate court, or administrative agency when appeal is provided by law. The hearings on appeal from a final order or judgment of a subordinate court or administrative agency shall be on the record unless the superior court, in its discretion, grants a trial de novo, in whole or in part.

(e) An appeal to the superior court is a matter of right, but an appeal from a subordinate court may not be taken by the defendant in a criminal case after a plea of guilty, except on the ground that the sentence was excessive. The state has no right to appeal in criminal cases, except to test the sufficiency of an indictment or information or to appeal a sentence on the ground it is too lenient.

(f) An appeal to the superior court may be taken on the ground that a sentence of imprisonment of 90 days or more was excessive and the superior court in the exercise of this jurisdiction has the power to reduce the sentence. When a sentence is appealed by the state on the ground it is too lenient, the court may not increase the sentence but may express its approval or disapproval of the sentence and its reasons in a written opinion.

(g) In case of an actual controversy in the state, the superior court, upon the filing of an appropriate pleading, may declare the rights and legal relations of an interested party seeking the declaration, whether or not further relief is or could be sought. The declaration has the force and effect of a final judgment or decree and is reviewable as such. Further necessary or proper relief based on a declaratory judgment or decree may be granted, after reasonable notice and hearing, against an adverse party whose rights have been determined by the judgment.

(h) The superior court, in an action for divorce, separation, or child support, affecting inalienable stock in a corporation organized under 43 U.S.C. 1601 — 1628 (Alaska Native Claims Settlement Act), may

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order the stock transferred to the spouse, a child, or a guardian or custodian for a child, but may not order it sold on the open market or transferred to other persons.

(i) The superior court is the court of original jurisdiction over all causes of action arising under the provisions of AS 18.80. A person who is injured or aggrieved by an act, practice, or policy which is prohibited under AS 18.80 may apply to the superior court for relief. The person aggrieved or injured may maintain an action on behalf of that person or on behalf of a class consisting of all persons who are aggrieved or injured by the act, practice, or policy giving rise to the action. In an action brought under this subsection, the court may grant relief as to any act, practice, or policy of the defendant which is prohibited by AS 18.80, regardless of whether each act, practice, or policy, with respect to which relief is granted, directly affects the plaintiff, so long as a class or members of a class of which the plaintiff is a member are or may be aggrieved or injured by the act, practice, or policy. The court may enjoin any act, practice, or policy which is illegal under AS 18.80 and may order any other relief, including the payment of money, that is appropriate. (§ 17(1) (2) ch 50 SLA 1959; am § 2 ch 117 SLA 1969; am § 1 ch 240 SLA 1970; am § 3 ch 70 SLA 1972; am § 8 ch 12 SLA 1980; am § 78 ch 6 SLA 1984; am § 2 ch 17 SLA 1985)

Revisor's notes. — Chapter 50 SLA 1959 implemented the constitution by providing for the establishment of the supreme and superior court system under the constitution. It was designed to accomplish the transfer of judicial functions within the three-year transition period contemplated by the Statehood Act, P.L. 85-508, of July 7, 1958, with provision being made for a more rapid transfer if the President sooner ended the jurisdiction of the territorial courts by executive order.

In November, 1959, eight superior court judges were appointed. On February 20, 1960, the President signed Executive Order No. 10,867, which ended the jurisdiction of the District Court for the Territory of Alaska and proclaimed that the United States District Court for the District of Alaska was prepared to assume the functions imposed upon it. Section 31(1) ch 50 SLA 1959 provided that causes might be commenced, filed, and determined in the state courts in each judicial district from the appointment of one or more judges for the district. Although by the terms of § 31(2) the jurisdiction of the state courts was to be nonexclusive until January 3, 1962, the effect of the executive order was

to give them the exclusive jurisdiction which they would in any event receive on that date.

Cross references. — For intervention by the State Commission for Human Rights in an action brought under AS 22.10.020(c), see AS 18.80.145. For appeal of sentences of imprisonment to court of appeals, see AS 22.07.020(b). For appeal from district court to superior court in criminal actions, see AS 22.15.240(b).

Effect of amendments. — The 1984 amendment rewrote this section.

The 1985 amendment added the last sentence of subsection (a).

Editor's notes. — Section 37, ch. 12, SLA 1980 provides: "Sections 8, 15 and 31 of this Act have the effect of changing Rule 21, Rules of Appellate Procedure and Rule 7, District Court Criminal Rules by amending AS 22.10.020(a), AS 22.15.240, and AS 12.55 to provide that a sentence of 90 days or more imposed by the district court may be appealed."

Section 12, ch. 17, SLA 1985 provides that the 1985 amendment to (a) of this section applies only to cases filed on or after July 1, 1985.

NOTES TO DECISIONS

In general. — See annotations under AS 14.20.095, Notes to Decisions.

Subsection (b) of this section is in a permissive form and allows temporary suspension during the investigation. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

A right of nontenured teachers to a hearing prior to dismissal for cause is not to be found in this section. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

The express language of subsection (b) of this section clearly lacks any indication that the legislature intended to provide a hearing prior to dismissal for cause of a nontenured teacher. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

Despite the reference to AS 14.20.180. — The reference to AS 14.20.180 in this section cannot reasonably be interpreted to extend the hearing rights given to tenured teachers under that section to nontenured teachers. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

The distinction in treatment between tenured and nontenured teachers is quite clear from the express terms of AS 14.20.180. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

Validity of dismissal proceedings. — When a discharged teacher had not demonstrated any way in which his dismissal was tainted by his temporary suspension with pay under subsection (b), nor any other way in which he was prejudiced by the suspension, his contention that the dismissal proceedings were void as a matter of law was found to be without merit. *Renfroe v. Green*, Sup. Ct. Op. No. 2233 (File Nos. 4394, 4481), 626 P.2d 1068 (1980).

Dismissal for immorality. — In subsection (a)(2), the act must constitute a crime involving moral turpitude; a criminal conviction is not necessary. *Kenai*

Peninsula Borough Bd. of Educ. v. Brown, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

Although the Board of Education could not dismiss a teacher on an assumption that a violation of AS 42.20.030(7) (willfully diverting electricity) always constitutes a theft, the board had sufficient evidence to conclude that the teacher had committed theft, and the dismissal for immorality was therefore valid even if the teacher was not convicted under a theft statute. *Kenai Peninsula Borough Bd. of Educ. v. Brown*, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

Instructions. — There was no error in the court's inclusion of an instruction on provisions of the Professional Teaching Practices Commission Code of Ethics although there had been no determination that a dismissed teacher had violated the code by the commission when fair minded jurors, in the exercise of reasonable judgment, could differ on whether certain actions by the dismissed teacher were unethical or otherwise constituted substantial non-compliance under subsection (a) of this section. *Renfroe v. Green*, Sup. Ct. Op. No. 2233 (File Nos. 4394, 4481), 626 P.2d 1068 (1980).

Directed verdict. — When there was evidence that a dismissed teacher had verbally and physically abused another member of the teaching profession in front of students; and fair minded jurors, in the exercise of reasonable judgment, could differ on whether those actions violated provisions of the code of ethics of the Professional Teaching Practices Commission or otherwise constituted incompetency or substantial noncompliance under subsection (a) of this section, the superior court did not err in failing to direct a verdict in the dismissed teacher's favor. *Renfroe v. Green*, Sup. Ct. Op. No. 2233 (File Nos. 4394, 4481), 626 P.2d 1068 (1980).

Cited in *Skagway City School Bd. v. Davis*, Sup. Ct. Op. No. 1216 (File No. 2265), 543 P.2d 218 (1975).

Collateral references. — Temporary inability of teacher without fault of school authorities to perform duty as justifying termination of contract or removal. 72 ALR 283.

Marriage of teacher as ground of re-

moval or discharge. 81 ALR 1033; 118 ALR 1092.

Candidacy for or incumbency of public office or other political activity by teacher or other school employee as ground for dismissal or compulsory leave of absence. 136 ALR 1154.

Assertion of immunity as ground for discharge of teacher. 44 ALR2d 799.

Notice of intent to discharge teacher, or not to renew contract, sufficiency under statutes requiring such notice. 92 ALR2d 751.

Right to dismiss public school teacher on ground that services are no longer needed. 100 ALR2d 1141.

What constitutes "incompetency" or "inefficiency" as a ground for dismissal or demotion of public school teacher. 4 ALR3d 1090.

Elements and measure of damages in action by schoolteacher for wrongful discharge. 22 ALR3d 1047.

Use of illegal drugs as ground for dismissal of teacher, or denial or cancellation of teacher's certificate. 47 ALR3d 754.

Dismissal of, or disciplinary action against, public school teachers for violation of regulation as to dress or personal appearances of teachers. 58 ALR3d 1227.

Sexual conduct as ground for dismissal of teacher or denial or revocation of teaching certificate. 78 ALR3d 19.

What constitutes "insubordination" as ground for dismissal of public school teacher. 78 ALR3d 83.

Dismissal of public school teacher because of unauthorized absence or tardiness. 78 ALR3d 117.

Sec. 14.20.175. Nonretention. (a) A teacher who has not acquired tenure rights is subject to nonretention for the school year following the expiration of the teacher's contract for any cause which the employer determines to be adequate. However, at the teacher's request, the teacher is entitled to a written statement of the cause for nonretention. The boards of city and borough school districts and regional educational attendance areas shall provide by regulation or bylaw a procedure under which a nonretained teacher may request and receive an informal hearing by the board.

(b) A teacher who has acquired tenure rights is subject to nonretention for the following school year only for the following causes:

(1) incompetency, which is defined as the inability or the unintentional or intentional failure to perform the teacher's customary teaching duties in a satisfactory manner;

(2) immorality, which is defined as the commission of an act which, under the laws of the state, constitutes a crime involving moral turpitude;

(3) substantial noncompliance with the school laws of the state, the regulations or bylaws of the department, the bylaws of the district, or the written rules of the superintendent; or

(4) a necessary reduction of staff occasioned by a decrease in school attendance. (§ 22 ch 98 SLA 1966; am § 1 ch 11 SLA 1968; am § 13 ch 46 SLA 1970; am § 15 ch 124 SLA 1975)

NOTES TO DECISIONS

Section exceeds federal constitutional requirements. — This section in requiring a statement of cause and an opportunity to be heard, exceeds federal constitutional requirements. *Shatting v. Dillingham City School Dist.*, Sup. Ct. Op. No. 2177 (File No. 4240), 617 P.2d 9 (1980).

Discretion of school boards. — 4 AAC 19.010, which provides that formal evaluations shall serve as a method for gathering data relevant to subsequent employment status decisions pertaining to the person evaluated, cannot operate to limit the broad discretion that was intentionally given to local school boards by the

legislature, not to renew teacher and employer. *Shatting v. Sup. Ct. Op. P.2d 9 (1980)*

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require in the notification that the hearing be either public or private and that the hearing be under oath or affirmation. The notification may also require that the right of cross-examination be provided and that the tenured teacher be represented by counsel and have the right to subpoena a person who has made allegations which are used as a basis for the decision of the employer.

(c) Upon receipt of the notification requesting a hearing, the employer shall immediately arrange for a hearing, and shall notify the tenured teacher or administrator in writing of the date, time, and place of the hearing. A written transcript, tape, or similar recording of the proceedings shall be kept. Transcribed copies shall be furnished to the tenured teacher for cost upon request of the tenured teacher. A final decision of the school board requires a majority vote of the membership. The vote shall be by roll call. The final decision shall be written and contain specific findings of fact and conclusions of law. A written notification of the decision shall be furnished to the tenured teacher within 10 days of the date of the decision. (§ 3a ch 92 SLA 1960; am § 23 ch 98 SLA 1966; am §§ 2, 3 ch 11 SLA 1968; am § 14 ch 46 SLA 1970; am §§ 16, 17 ch 124 SLA 1975)

NOTES TO DECISIONS

Section describes procedure. — This section describes the administrative procedure, which includes a hearing, when a tenured teacher has been given a notice of dismissal or nonretention. *Corso v. Commissioner of Educ.*, Sup. Ct. Op. No. 1412 (File No. 2870), 563 P.2d 246 (1977).

Reference to section in AS 14.20.170 does not extend hearing rights to nontenured teachers. — The reference to this section in AS 14.20.170 cannot reasonably be interpreted to extend the hearing rights given to tenured teachers under this section to nontenured teachers. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

But constitutional due process requirements overcome any statutory rule. — Even though a hearing is not accorded to nontenured teachers by statute, the constitutional requirements of due process overcome any statutory rule. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

And nontenured teachers are entitled to hearing upon dismissal. — Where a mid-year dismissal is at issue, clearly the teachers have been deprived of an interest in property, namely, their present teaching post. This is an interest protected by the 14th amendment to the United States Constitution and by the

first article of the Alaska Constitution, and thus they are entitled to a hearing. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

When dismissal effective. — The "notification of dismissal" is a notice that the board has voted in favor of dismissal, but the dismissal cannot be effective until the teacher has had an opportunity to request a hearing if one is desired. *Kenai Peninsula Borough Bd. of Educ. v. Brown*, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

Since this section gives the teacher 15 days in which to request a hearing, the termination is not effective until at least 15 days following the notification of dismissal. *Kenai Peninsula Borough Bd. of Educ. v. Brown*, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

If the teacher does not request a hearing, the dismissal becomes effective immediately following the expiration of the 15 day period; if the teacher does request a hearing, the dismissal can only be effective after a final majority vote following the hearing. *Kenai Peninsula Borough Bd. of Educ. v. Brown*, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

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cess rights where the teacher was notified that the Board of Education had approved a recommendation for his immediate dismissal and that his pay was terminated effective the day of the meeting, and he was told that he could request a hearing, but the dismissal was nonetheless effective prior to the hearing. *Kenai Peninsula Borough Bd. of Educ. v. Brown*, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

A hearing is the procedure most likely to lead to a fair determination regarding the dismissal of a nontenured teacher. The stigma which attaches to a discharge for incompetence is sufficiently injurious to call for this type of safeguard. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

A full judicial hearing is not necessary, but a hearing that allows the administrative authority to examine both sides of the controversy will protect the interests and rights of all who are involved. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

Collateral references. — Request for hearing, sufficiency under statute requiring hearing on request before discharge. 89 ALR2d 1018.

Sufficiency of notice of intention to discharge teacher or not to renew contract

Secs. 14.20.185 — 14.20.200. Procedure and hearing; appeals. [Repealed, § 59 ch 98 SLA 1966.]

Sec. 14.20.205. Judicial review. If a school board reaches a decision unfavorable to a teacher, the teacher is entitled to a de novo trial in the superior court. However, a teacher who has not attained tenure rights is not entitled to judicial review according to this section. (§ 24 ch 98 SLA 1966; am § 1 ch 148 SLA 1966; am § 4 ch 11 SLA 1968; am § 18 ch 124 SLA 1975)

NOTES TO DECISIONS

This section, granting a trial de novo to teachers, does not violate the separation of powers. *Matanuska-Susitna Borough v. Lum*, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

On its face, this section bears no relation to the general provisions governing judicial appeals, which is covered by Title 22. *Matanuska-Susitna Bor-*

But nontenured teachers must be given opportunity to present defense by testimony. *Nichols v. Eckert*, Sup. Ct. Op. No. 860 (File No. 1572), 504 P.2d 1359 (1973).

Hearing complied with section and teacher's due process rights. — See *Kenai Peninsula Borough Bd. of Educ. v. Brown*, Sup. Ct. Op. No. 2886 (File No. 7763), 691 P.2d 1034 (1984).

When time for appeal begins to run. — In light of the provision in subsection (c) of this section that the final decision of the school board must be "written and contain specific findings of fact and conclusions of law," the time for appeal from the board's determination did not begin to run until the written decision was mailed or delivered to the teacher. *Jerrel v. Kenai Peninsula Borough School Dist.*, Sup. Ct. Op. No. 1458 (File No. 2901), 567 P.2d 760 (1977).

Applied in *Renfroe v. Green*, Sup. Ct. Op. No. 2233 (File Nos. 4394, 4481), 626 P.2d 1068 (1980).

under statutes requiring such notice. 92 ALR2d 751.

Elements and measure of damages in action by schoolteacher for wrongful discharge. 22 ALR3d 1047.

ough v. Lum, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

AS 22.10.020 does not supersede this section. — AS 22.10.020, which provided in § 17(1), ch. 50, SLA 1959, that "All hearings on appeal from any final order or judgment of a subordinate court or administrative agency shall be on the record unless the superior court, in its discretion, shall grant a trial de novo, in whole or in

part," does not supersede this section, which expressly mandates de novo reviews for tenured teachers. *Matanuska-Susitna Borough v. Lum*, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

In reenacting AS 22.10.020 in 1970 the legislature has not unequivocally expressed any intent to deny tenured teachers de novo review nor was the reenactment part of a comprehensive revision. *Matanuska-Susitna Borough v. Lum*, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

Since this section and AS 22.10.020 are not irreconcilably conflicting, but can be intelligently read as conterminous expressions of a general rule and an exception to it, nothing in the edicts of statutory construction requires us to find that this section has been rendered inoperative by the reenactment of AS 22.10.020. *Matanuska-Susitna Borough v. Lum*, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

A policy factor militating in favor of a full application of this section is that a tenured teacher against whose favor a decision has been reached is faced with the loss of a very important right: his source of income. In this connection, it is not necessary to indulge in such classificatory labels as "vested right" or "property right," for it is enough that the right be recognized as important for it to act as a guide to decision in the interpretation of this section. *Matanuska-Susitna Borough v. Lum*, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

Rights of nonretained, nontenured teachers are limited. — The rights of a nontenured teacher who is simply not retained at the end of his period of employment are relatively limited because such a teacher has no constitutionally protected interest in public employment. *Gorder v. Matanuska-Susitna Borough School Dist.*, Sup. Ct. Op. No. 929 (File No. 1754), 513 P.2d 1094 (1973).

Probationary employees who are otherwise lawfully discharged cannot obtain permanent status through grievance procedures which do not purport to modify the statutory provisions concerning tenure and termination of employees. *Gorder v. Matanuska-Susitna Borough School Dist.*, Sup. Ct. Op. No. 929 (File No. 1754), 513 P.2d 1094 (1973).

The grievance procedure may be of value to a nontenured teacher in at-

tempting to persuade the hiring authority that he should be retained. The process might on occasion bring forth evidence and argument by which the termination of the nontenured teacher might be reconsidered. *Gorder v. Matanuska-Susitna Borough School Dist.*, Sup. Ct. Op. No. 929 (File No. 1754), 513 P.2d 1094 (1973).

But any such results and action would be a matter within the discretion of the hiring authority, and thereby a matter of grace rather than legal right. *Gorder v. Matanuska-Susitna Borough School Dist.*, Sup. Ct. Op. No. 929 (File No. 1754), 513 P.2d 1094 (1973).

Right of nontenured teacher to judicial review. — While this section does not extend the tenured teacher's right to a trial de novo to a nontenured teacher, neither does it preclude a more limited form of judicial review of the school board decision; therefore a nontenured teacher has a right to judicial review, on the record, of a school board's nonretention, and although a review on the record is all that is required, in its discretion the superior court may grant a trial de novo. *Shatting v. Dillingham City School Dist.*, Sup. Ct. Op. No. 2177 (File No. 4240), 617 P.2d 9 (1980).

Courts granted fact-finding role. — While courts normally feel constrained to defer to the fact-finding role which the legislature has given to a particular agency, no such constraint logically should exist where the legislature itself has granted the courts a fact-finding role in their review of administrative action. This section seemingly does just that, for it expressly grants a tenured teacher a "trial de novo" following an unfavorable school board decision. *Matanuska-Susitna Borough v. Lum*, Sup. Ct. Op. No. 1179 (File Nos. 2241, 2250), 538 P.2d 994 (1975).

When time for appeal begins to run. — In light of the provision in AS 14.20.180(c) that the final decision of the school board must be "written and contain specific findings of fact and conclusions of law," the time for appeal from the board's determination did not begin to run until the written decision was mailed or delivered to the teacher. *Jerrel v. Kenai Peninsula Borough School Dist.*, Sup. Ct. Op. No. 1458 (File No. 2901), 567 P.2d 760 (1977).

Applied in *Renfroe v. Green*, Sup. Ct. Op. No. 2233 (File Nos. 4394, 4481), 626 P.2d 1068 (1980); *Jones v. Wrangell*

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Sec. 14.

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Revisor's note
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755 (File No. 1431),
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School Dist., Sup. Ct. Op. No. 2917 (File Nos. S-223/S-224), 696 P.2d 677 (1985).

Quoted in *Sjong v. State, Dep't of Revenue*, Sup. Ct. Op. No. 2269 (File No. 4255), 622 P.2d 967 (1981); *Fedpac Int'l, Inc. v.*

State, Sup. Ct. Op. No. 2520 (File No. 6034), 646 P.2d 240 (1982); *Fisher v. Fairbanks N. Star Borough School Dist.*, Sup.

Ct. Op. No. 2960 (File No. 7446), 704 P.2d 213 (1985).

Sec. 14.20.207. [Renumbered as AS 14.20.215.]

Sec. 14.20.210. Authority of school board or department to adopt bylaws. A school board or the department may adopt teacher tenure bylaws not in conflict with the regulations of the department or state law. (§ 4 ch 92 SLA 1960; am § 26 ch 98 SLA 1966)

Sec. 14.20.215. Definitions. In AS 14.20.010 — 14.20.215

(1) "continuous employment" means employment which is without interruption except for temporary absences approved by the employer or its designee, or except for the interval between consecutive school terms if the teacher is employed only for the months of the school term;

(2) "dismissal" means termination by the employer of the contract services of the teacher during the time a teacher's contract is in force, and termination of the right to the balance of the compensation due the teacher under the contract;

(3) "employer" means the school board or superintendent which appoints the teacher;

(4) "nonretention" means the election by an employer not to re-employ a teacher for the school year or school term immediately following the expiration of the teacher's current contract;

(5) "school year" includes "school term" if the teacher is employed only for the period of the school term; and

(6) "teacher" means a person serving in a teaching, counseling, or administrative capacity and required to be certificated in order to hold the position. (§ 25 ch 98 SLA 1966; am § 15 ch 46 SLA 1970; am § 19, ch 124 SLA 1975)

Revisor's notes. — Formerly AS 14.20.207. Renumbered and reorganized to alphabetize the defined terms in 1987.

NOTES TO DECISIONS

Applied in *Griffin v. Galena City School Dist.*, Sup. Ct. Op. No. 2469 (File No. 5388), 640 P.2d 829 (1982).

Quoted in *Begich v. Jefferson*, Sup. Ct. Op. No. 481 (File No. 894), 441 P.2d 27 (1968); *State v. Redman*, Sup. Ct. Op. No. 755 (File No. 1431), 491 P.2d 157 (1971); *Shatting v. Dillingham City School Dist.*,

Sup. Ct. Op. No. 2177 (File No. 4240), 617 P.2d 9 (1980).

Cited in *Alaska State-Operated School Sys. v. Mueller*, Sup. Ct. Op. No. 1157 (File No. 2138), 536 P.2d 99 (1975); *Skagway City School Bd. v. Davis*, Sup. Ct. Op. No. 1216 (File No. 2265), 543 P.2d 218 (1975); *Northwest Arctic Regional*

S B

208

10:15 am.

Paul,
Jane Maynard called re: SB208
Student loans for half-time
students.
Says commission has endorsed
bill. Any more questions -
Call 2854.

4/17/89

(w/ Postsecondary Ed. Commission)

mc

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS,
CHAIR



ANCHORAGE
P.O. BOX 104636
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ETHICS COMMITTEE,
CHAIR

JUNEAU
P.O. BOX V
STATE CAPITOL
JUNEAU, AK 99811
(907) 465-3712

Senator Pat Pourchot

MEMORANDUM

TO: Senator Paul Fischer, Chairman
Senate Committee on Health, Education,
and Social Services

FROM: Senator Pat Pourchot

RE: SB 208, Half-time Student Loans

DATE: April 27, 1989

In response to the committee's concerns over SB 208, I offer the following amendments:

AMENDMENT #1

page 1, lines 6-7. Substitute a new title:

An Act relating to loans for half-time students, deferral of loan repayment, and to the Alaska Postsecondary Education Commission; and providing for an effective date.

RATIONALE: This title more accurately reflects the contents of the bill.

AMENDMENT #2

page 1, lines 13, 16, and 17. Substitute:

\$2,000 [\$2,750]

page 1, lines 21, 25, and 26. Substitute:

\$2,500 [\$3,250]

RATIONALE: This decreases the maximum loan for a half-time undergraduate student to \$2,000 and for a half-time graduate student to \$2,500. This will allow full funding of books, tuition, and fees at the University of Alaska where the per credit charge is \$30-40 undergraduate and \$75 graduate. However, it may not allow full funding at Alaska Pacific University and Sheldon-Jackson where the per credit charge is \$190-225 undergraduate and \$242 graduate, and at vocational schools.

It should be noted that the amount of the loan is based on the student's actual costs for tuition, books, and fees. The maximum amount would be awarded only if the student's costs were that amount.

AMENDMENT #3

page 1, lines 17 and 27. Add the following language:

The commission shall adopt regulations establishing a minimum amount for which a loan may be made.

RATIONALE: According to the Postsecondary Education Commission the cost of processing a loan application is roughly \$10. Establishing a minimum loan amount would ensure a reasonable relationship between the amount of the loan and the cost of administering it.

AMENDMENT #4

page 3, lines 3 and 7. Add the underlined language:

Principal shall be deferred, but interest shall accrue and be paid ... during any of the following periods:

(1) if the borrower received a loan to attend as a full-time student, return to full-time status in good standing in a career education program, college, or university...

(2) if the borrower received a loan to attend as a half-time student, return to half-time status in good standing in a career education program, college, or university in the state...; a borrower is not eligible for deferral under this paragraph for a period longer than eight years

RATIONALE: This language is intended to prevent loan recipients from enrolling or continuing to enroll half-time simply to avoid repayment of their loans.

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS,
CHAIR



ETHICS COMMITTEE,
CHAIR

Senator Pat Pourchot

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(907) 465-3712

MEMORANDUM

DATE: January 11, 1990

TO: Senator Paul Fischer, Chair
Senate HESS Committee

FROM: Senator Pat Pourchot *Pat*

RE: Request for Hearing

As you know, SB 208, "An Act relating to student loans", is currently in the Senate HESS Committee.

I appreciated the committee's hearing the bill last session, at which time several concerns were raised. Attached for your consideration and use is a sponsor substitute which incorporates several changes addressing those concerns, such as the need to keep the program financially sound and limited to its intended purposes.

I would greatly appreciate having the bill scheduled for another hearing as soon as possible.

Senate Bill 208

Number of Part-Time Students in Degree Programs
Taking at Least 6 Credit Hours At The University of Alaska
Fall, 1988

Undergraduate Students

| <u>Number of Credit Hours</u> | <u>Number of Students</u> | <u>Average Age</u> |
|-----------------------------------|-------------------------------|------------------------|
| 6 | 784 | 31.7 |
| 7 | 259 | 31.6 |
| 8 | 123 | 30.4 |
| 9 | 492 | 29.7 |
| 10 | 203 | 29.7 |
| <u>11</u> | <u>96</u> | <u>28.6</u> |
| Subtotal | 1,957 | 30.7 |

Graduate Students

| | | |
|----------|--------------|-------------|
| 6 | 139 | 33.7 |
| 7 | 18 | 30.8 |
| <u>8</u> | <u>7</u> | <u>32.6</u> |
| Subtotal | 164 | 33.4 |
| Total | <u>2,121</u> | <u>30.9</u> |

Source: Office of Institutional Research, University of Alaska

TABLE 5.7 FY84-88 Tuition Rates by Campus/Course Level/Residency

| RESIDENT | UNDERGRADUATE | | | | | | | | GRADUATE | | | | | | | |
|--------------------|------------------------|------|------|------|------|-----------------|-------|---------|------------------------|------|------|------|------|-----------------|-------|---------|
| | Per Credit Hour Charge | | | | | FY88 Annualized | | | Per Credit Hour Charge | | | | | FY88 Annualized | | |
| | FY84 | FY85 | FY86 | FY87 | FY88 | Tuition | Fees | TOTAL | FY84 | FY85 | FY86 | FY87 | FY88 | Tuition | Fees | TOTAL |
| UAA | | | | | | | | | | | | | | | | |
| Anchorage Campus | \$30 | \$30 | \$35 | \$40 | \$40 | \$960 | \$86 | \$1,046 | \$60 | \$60 | \$65 | \$75 | \$75 | \$1,350 | \$86 | \$1,436 |
| Kenai Pen College | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$36 | \$756 | - | - | - | - | - | - | - | - |
| Kodiak College | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| Mat-Su College | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$12 | \$732 | - | - | - | - | - | - | - | - |
| RE - Adak/Shemya | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| UAF | | | | | | | | | | | | | | | | |
| Fairbanks Campus | \$30 | \$30 | \$35 | \$40 | \$40 | \$960 | \$338 | \$1,298 | \$60 | \$60 | \$65 | \$75 | \$75 | \$1,350 | \$338 | \$1,688 |
| Aleutians Centers | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| Bristol Bay Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| Chitochi Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| Interior Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| Kuskokwim Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$30 | \$750 | - | - | - | - | - | - | - | - |
| Northwest Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$0 | \$720 | - | - | - | - | - | - | - | - |
| UAS | | | | | | | | | | | | | | | | |
| Juneau Campus | \$30 | \$30 | \$35 | \$40 | \$40 | \$960 | \$20 | \$980 | \$60 | \$60 | \$65 | \$75 | \$75 | \$1,350 | \$20 | \$1,370 |
| Ketchikan Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$20 | \$740 | - | - | - | - | - | - | - | - |
| Sitka Campus | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$20 | \$740 | - | - | - | - | - | - | - | - |
| PWSCC | | | | | | | | | | | | | | | | |
| | \$25 | \$25 | \$25 | \$30 | \$30 | \$720 | \$20 | \$740 | - | - | - | - | - | - | - | - |

| NON-RESIDENT | UNDERGRADUATE | | | | | | | | GRADUATE | | | | | | | |
|--------------------|------------------------|------|------|-------|-------|-----------------|-------|---------|------------------------|-------|-------|-------|-------|-----------------|-------|---------|
| | Per Credit Hour Charge | | | | | FY88 Annualized | | | Per Credit Hour Charge | | | | | FY88 Annualized | | |
| | FY84 | FY85 | FY86 | FY87 | FY88 | Tuition | Fees | TOTAL | FY84 | FY85 | FY86 | FY87 | FY88 | Tuition | Fees | TOTAL |
| UAA | | | | | | | | | | | | | | | | |
| Anchorage Campus | \$80 | \$80 | \$85 | \$105 | \$105 | \$2,520 | \$86 | \$2,606 | \$120 | \$120 | \$135 | \$150 | \$150 | \$2,700 | \$86 | \$2,786 |
| Kenai Pen College | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$36 | \$1,836 | - | - | - | - | - | - | - | - |
| Kodiak College | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |
| Mat-Su College | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$12 | \$1,812 | - | - | - | - | - | - | - | - |
| RE - Adak/Shemya | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |
| UAF | | | | | | | | | | | | | | | | |
| Fairbanks Campus | \$80 | \$80 | \$85 | \$105 | \$105 | \$2,520 | \$338 | \$2,858 | \$120 | \$120 | \$135 | \$150 | \$150 | \$2,700 | \$338 | \$3,038 |
| Aleutians Centers | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |
| Bristol Bay Campus | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |
| Chitochi Campus | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |
| Interior Campus | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |
| Kuskokwim Campus | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$30 | \$1,830 | - | - | - | - | - | - | - | - |
| Northwest Campus | \$65 | \$65 | \$65 | \$75 | \$75 | \$1,800 | \$0 | \$1,800 | - | - | - | - | - | - | - | - |

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March 22, 1989

Dr. Ronald Phipps
Executive Officer
Alaska Student Loan
P.O. Box FP
400 Willoughby Avenue
Juneau, Alaska 98111

Dear Ron:

You have requested that we prepare a position paper with respect to Senate Bill No. 208, an Act Relating to Student Loans and Providing for an Effective Date, (hereafter, the Bill) particularly with respect to the Indenture securing the Corporation's outstanding Bonds. We are happy to provide the following in response to your request.

POSITION PAPER

SENATE BILL NO. 208

Senate Bill No. 208 amends various sections within AS 14.43 to expand the student loan program to include loans to "half-time students". Under present law, the Commission on Postsecondary Education is authorized to make loans under the student loan program only to full-time students.

The Bill defines a "half-time student" generally as a student enrolled in at least six semester credit hours, or the equivalent, at an institution of higher education. The following are the significant differences in the Bill's treatment of half-time students and full time students:

- (1) half-time student loans are limited to an amount that is one-half the maximum amount available to full-time students;

FILE COPY

Dr. Ronald Phipps

March 22, 1989

Page 2

(2) half-time student loans cannot be used to pay for room and board;

(3) half-time students must attend school within the state, both to qualify for a loan and to qualify for interest deferment with respect to an outstanding student loan; and

(4) half-time student loans must be repaid in five years after commencement of repayment (instead of 10 years for full-time loans).

With respect to general aspects of the Bill, we have identified no difficulties in terms of ambiguities, inconsistencies, drafting problems, or the like. Insofar as tax-exempt financing for student loans is concerned, you should be aware that item (3) above (which is expressed in the Bill at page 2, line 11, and at page 3, line 8) would make the half-time student loans ineligible for tax-exempt bond financing. Under the Internal Revenue Code, bonds issued to finance student loans are tax exempt only if the financing program does not restrict the geographical area within which the student must attend school. Accordingly, the Corporation would have to finance these types of loans from assets (most likely appropriations from the State) other than bond proceeds. The loans could be used to secure the Corporation's Bonds, but they would have to be strictly segregated from any funds or accounts under the Indenture that contain Bond proceeds or loans or other investments acquired with Bond proceeds. This is necessary in order to avoid jeopardizing the tax-exempt status of the Bonds.

With respect to any impact the Bill may have on the Indenture or other financing documents used in connection with the issuance of the Corporation's 1988 Series A Bonds, we have reviewed said documents and do not believe the Bill would have any impact. None of the 1988 Series A Bond proceeds would be used to finance the loans that would be permitted by the Bill. There will be no impact on the tax-exempt status of the Bonds (provided the segregation described above occurs). We have identified no covenants or representations, express or implied, in any of the financing

Dr. Ronald Phipps
March 22, 1989
Page 3

documents that would prohibit a change in the student loan program of this sort, and we do not apprehend that the change that would be effected by the Bill would be adverse in any way to the holders of the Bonds.

We hope this adequately responds to your request, but, of course, we are always happy to provide additional assistance at your request.

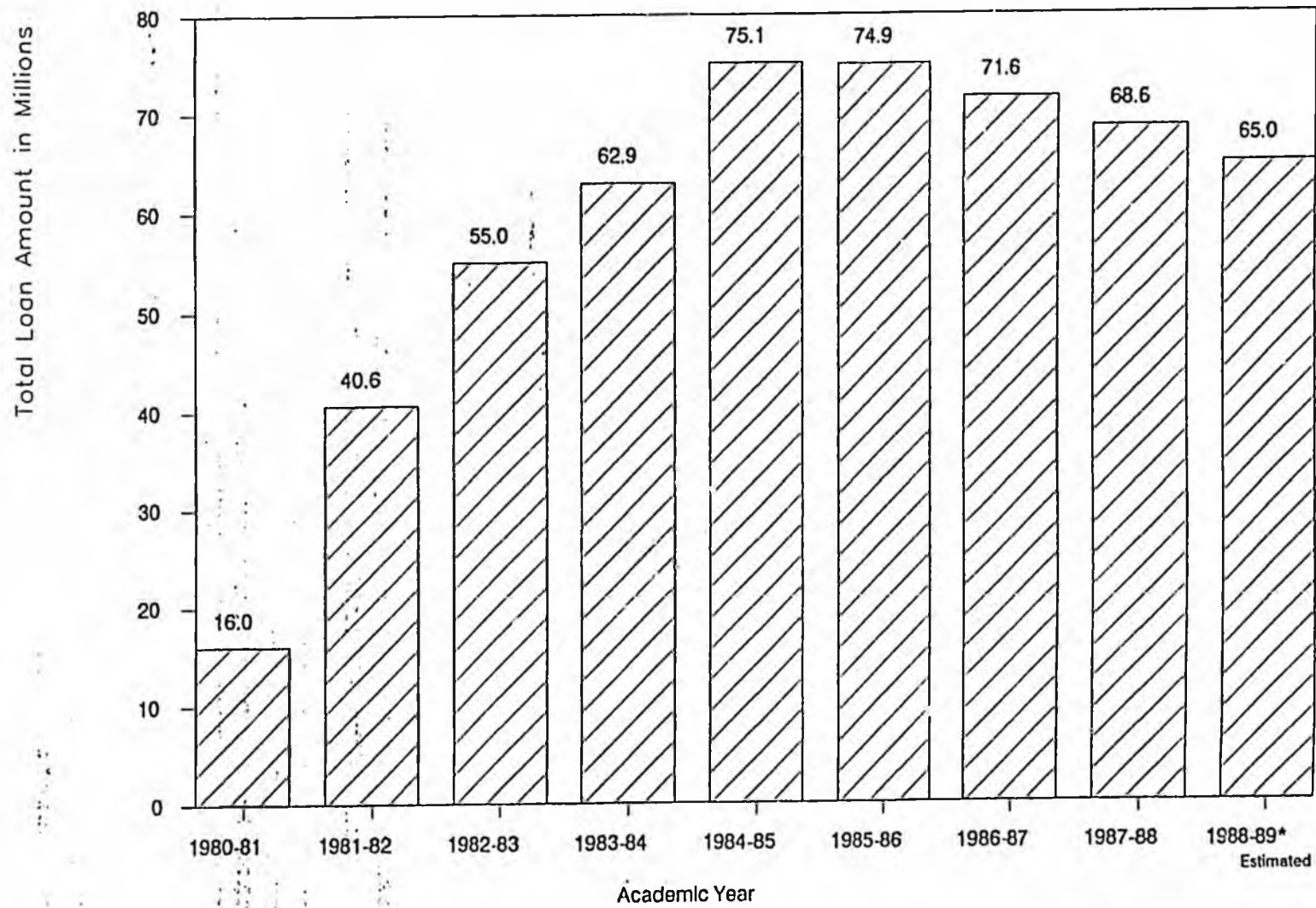
Very truly yours,


Kenneth E. Vassar

KEV/kc
S10646

Alaska Student Loan Program

Loan Amount Per Year

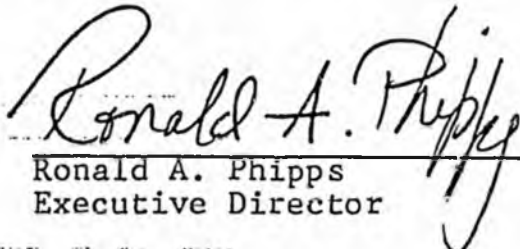


ALASKA COMMISSION ON POSTSECONDARY EDUCATION

P.O BOX FP
JUNEAU, ALASKA 99811-0599
PHONE: (907) 465-2854

Senate Bill No. 208

At its meeting on March 3, 1989, the Commission on Postsecondary Education endorsed the concept of a half-time Student Loan Program to provide opportunities for those Alaskan students who are unable or disinclined to pursue postsecondary education on a full-time basis.



Ronald A. Phipps
Executive Director

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS,
CHAIR



ETHICS COMMITTEE,
CHAIR

MAR 14 1989

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Senator Pat Pourchot

MEMORANDUM

TO: Senator Paul Fischer, Chairman
Senate Committee on Health, Education
and Social Services

FROM: Senator Pat Pourchot *Pat*

RE: Scheduling of SB 208

DATE: March 13, 1989

I would like to request a hearing on SB 208, which would broaden the group of persons eligible for the state student loan program to include certain half-time students.

The bill is intended to address the needs of the "serious" half-time student; students who because of the demands of work, family, a disability, or some other demand are unable to devote themselves to full-time study but who have as much interest in, can benefit as much by, and certainly are as entitled to higher education as are those able to attend school full-time. "Seriousness" is ensured by the requirement that the half-time student be enrolled in good standing in at least six semester credit hours in a career education or degree program.

Eligibility requirements for half-time loans would be the same as for full-time loans. Loan terms would be half what they are for full-time students. In contrast to the full-time loan, half-time loan funds could be used only at in-state schools and only for tuition, books, and fees. All other provisions of the current loan program would apply to half-time loans -- the rate of interest would be 8%, repayment would begin within one year of completing study, and interest would accrue during the grace year.

Loans would be administered by the Postsecondary Education Commission as part of the existing full-time student loan portfolio. Loan funds would come from a combination of bond proceeds, loan repayments, and state general funds as they do now for full-time loans. It is not anticipated that half-time students would be competing with full-time students for loan funds, as funds have exceeded demand the last couple of years. In addition, the statute allows for 3% program growth annually.

Back-up materials are attached. Supportive statements from the Postsecondary Education Commission and bond counsel will be forthcoming. Please let me know if additional information is desired. Thank you for your consideration of this request.

APR 06 1989

Alaska State Legislature

Al Adams
District L

WHILE IN SESSION
P.O. Box V
State Capitol
Juneau, Alaska 99811
(907) 465-3707

OUT OF SESSION
P.O. Box 333
Kotzebue, Alaska 99752
(907) 442-3245

3111 C Street
Anchorage, Alaska 99503
(907) 561-7622

Official Business

TO: Senator Paul Fischer, Chair
Senate Health, Education and Social Services Committee

FROM: Senator Al Adams, Chair *AA*
Community and Regional Affairs Committee

RE: SB 208

DATE: April 5, 1989

This is to request that the aforementioned legislation dealing with student loans for part time students be heard in the Senate Health, Education and Social Services committee.

This bill would allow those students who can only afford to participate in school part time, often due to employment, to obtain needed financial services to continue with their education. I believe this issue should be heard and I trust you agree and will schedule the bill in committee.

SB 208. AN ACT RELATING TO STUDENT LOANS

Broadens the group of persons eligible for the student loan program to include the serious half-time student.

MUST BE ENROLLED IN GOOD STANDING IN A CAREER EDUCATION, ASSOCIATE, BACCALAUREATE, OR GRADUATE DEGREE PROGRAM

MUST TAKE AT LEAST 6 SEMESTER CREDIT HOURS OR BE IN REGULAR ATTENDANCE IN CAREER EDUCATION CLASSES AT LEAST 15 HOURS A WEEK

Loan terms would be basically half what they are for full-time students.

| | <u>HALF-TIME</u> | <u>FULL-TIME</u> |
|---------------|------------------|------------------|
| UNDERGRAD MAX | \$2,750/YR. | \$5,500/YR. |
| GRADUATE MAX | \$3,250/YR. | \$6,500/YR. |
| REPAYMENT | 5 YEARS | 10 YEARS |
| INTEREST | 8% | 8% |

Two major differences.

| <u>HALF-TIME</u> | <u>FULL-TIME</u> |
|---|--|
| BOOKS, TUITION, FEES IN-STATE SCHOOLS ONLY | BOOKS, TUITION, FEES, ROOM, BOARD IN-STATE AND OUT-OF-STATE SCHOOLS |

Zero fiscal note. Half-time loans will be awarded within the statutory cap (AS 14.42.032 allows 3% growth above the prior year's award, which means the FY 90 issuance will be \$3 million above the FY 89 award of \$65 million). Applications will be processed by existing staff.

Minimal competition between half-time and full-time students. Loan funds have exceeded demand the last couple years as demand has declined. 1988-89 carry-forward was \$25 million; estimated 1989-90 carry-forward is \$16 million. Bond issuance in 1988-89 was \$83.8 million (\$41 million of this went to the legislature); 1989 bond issuance will be \$29 million. Bond proceeds are loaned first; carry-forward is primarily loan repayments.

| <u>YEAR</u> | <u>LOAN RECIPIENTS</u> | <u>AMT. LOANED</u> |
|--------------|------------------------|--------------------|
| 1984-85 | 17,173 | \$ 75,075,883 |
| 1985-86 | 15,983 | 74,981,730 |
| 1986-87 | 16,566 | 71,582,547 |
| 1987-88 | 16,453 | 68,575,894 |
| 1988-89 EST. | 14,500 | 65,000,000 |

No estimate yet of the number of half-time applicants. The Postsecondary Education Commission will likely set aside a portion of funds specifically for half-time loans (currently set aside 20% for vocational students).

Postsecondary Education Commission endorsed the concept of half-time loans at their March 4, 1989 meeting.

Sen. Pourchot
March 13, 1989

SECTIONAL SUMMARY
SB 208, RELATING TO HALF-TIME STUDENT LOANS

Sec. 1 Establishes the undergraduate loan limit for half-time students at \$2,750. This is half of the \$5,500 limit for full-time students.

Sec. 2 Establishes the graduate loan limit for half-time students at \$3,250. This is half of the \$6,500 limit for full-time students.

Sec. 3 Limits the use of half-time loan funds to books, tuition, and required fees. Full-time loan funds may also be used for room and board.

Sec. 4 Requires that half-time loan recipients be enrolled in good standing in a career education program, college, or university in the state. These are the same requirements that full-time students must meet, except that full-time loan recipients may attend school out of state.

Sec. 5 Requires repayment of a half-time loan within five years from the commencement of repayment. This is half of the 10 year repayment period for full-time loans.

Sec. 6 Allows for deferral of principal and interest while the half-time student is in school. This same deferral provision applies to full-time students.

Sec. 7 Amends the eligibility provisions of the student loan program to include half-time, as well as full-time, enrollment in a career education, associate, baccalaureate, or graduate degree program in the state. Full-time students may enroll out of state also.

Sec. 8 Defines half-time student as an undergraduate, graduate, or career education student enrolled and in regular attendance for at least six semester credit hours, or a career education student enrolled and in regular attendance at classes for at least 15 hours a week. The definition of a full-time student is enrollment and regular attendance in at least 12 semester credit hours or the equivalent of undergraduate or career study, or 9 hours of graduate study.

Sec. 9 Effective date of July 1, 1989.

NOTE: All sections of SB 208 amend sections of existing law. Provisions of existing law that currently apply to full-time students but that are not referenced in SB 208 would apply to half-time students as well (8% interest, begin repayment within one year of completing study, interest accrual during grace period, default at 120 days, garnishment of Permanent Fund dividends for defaulted loans, two year residency requirement, commission approval of career education programs, etc.).

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Education
 Title: RE: Loans for half time
students BRU: Postsecondary Education/
Student Loan Corporation
 Sponsor: Pourchot, Kelly and Sturgulewski Components: Student Loan Fund
 Requestor: Senate HESS Student Loan Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 89 | FY 90 | FY 91 | FY 92 | FY 93 | FY 94 |
|------------------------|------------|------------|------------|------------|------------|------------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | -0- | -0- | -0- | -0- | -0- | -0- |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|---------|--|--|--|--|--|--|
| REVENUE | | | | | | |
|---------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|------------|------------|------------|------------|------------|------------|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | -0- | -0- | -0- | -0- | -0- | -0- |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

ANALYSIS : (Attach a separate page if necessary)

(SEE ATTACHED)

Prepared by: Ronald A. Phipps, Executive Director Phone: 465-2854
 Division: Alaska Commission on Postsecondary Date: March 8, 1989
Education
 Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB 208
Analysis of Fiscal Impact

A. Assumptions

1. Total loan awards cannot exceed the statutorily required limit of three percent annual growth and will not exceed the FY 1990 budget appropriation.
2. A portion of borrowers who would have chosen to request a loan for full-time student status will elect to apply for a loan for half-time student status; i.e., a percentage of full-time loans will be supplanted by half-time loans.
3. Staff included in the FY 1990 budget request will be sufficient to service the addition of loans for half-time students.

STATE OF ALASKA

STUDENT

FINANCIAL AID

PROGRAMS

ANNUAL REPORT
1987-88

Alaska Commission on Postsecondary Education
Box FP, 400 Willoughby Avenue
Juneau, Alaska 99811

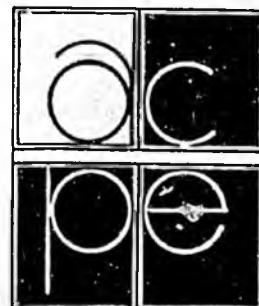


TABLE 14
YEARLY SUMMARY
OF
ALL STUDENT LOANS

| ACADEMIC YEAR | STUDENTS ATTENDING IN-STATE | | | | STUDENTS ATTENDING OUT-OF-STATE | | | | TOTAL | |
|---------------|-----------------------------|------------------|---------------|------------------|---------------------------------|------------------|---------------|------------------|-----------------|---------------|
| | Loan Recipients | Percent of Total | Loan Amount | Percent of Total | Loan Recipients | Percent of Total | Loan Amount | Percent of Total | Loan Recipients | Loan Amount |
| 1971-72 | 601 | 55.6 | \$ 754,964 | 47.1 | 480 | 44.4 | \$ 848,194 | 52.9 | 1,081 | \$ 1,603,158 |
| 1972-73 | 809 | 46.3 | 1,079,264 | 37.6 | 939 | 53.7 | 1,791,120 | 62.4 | 1,748 | 2,870,384 |
| 1973-74 | 622 | 37.4 | 1,021,272 | 34.2 | 1,043 | 62.6 | 1,964,904 | 65.8 | 1,665 | 2,986,176 |
| 1974-75 | 559 | 38.4 | 851,138 | 32.0 | 898 | 61.6 | 1,808,669 | 68.0 | 1,457 | 2,659,807 |
| 1975-76 | 481 | 28.0 | 808,536 | 23.9 | 1,238 | 72.0 | 2,574,461 | 76.1 | 1,719 | 3,382,997 |
| 1976-77 | 584 | 30.4 | 921,972 | 24.1 | 1,337 | 69.6 | 2,922,535 | 75.9 | 1,921 | 3,850,507 |
| 1977-78 | 740 | 32.7 | 1,275,122 | 27.7 | 1,525 | 67.3 | 3,329,045 | 72.3 | 2,265 | 4,604,167 |
| 1978-79 | 902 | 32.3 | 1,772,376 | 27.6 | 1,893 | 67.7 | 4,644,026 | 72.4 | 2,795 | 6,416,402 |
| 1979-80 | 1,303 | 33.3 | 2,637,873 | 28.1 | 2,615 | 66.7 | 6,736,076 | 71.9 | 3,918 | 9,373,949 |
| 1980-81 | 2,733 | 42.3 | 5,960,465 | 37.3 | 3,727 | 57.7 | 10,030,815 | 62.7 | 6,460 | 15,991,280 |
| 1981-82 | 4,454 | 45.0 | 16,906,695 | 41.7 | 5,444 | 55.0 | 23,652,804 | 58.3 | 9,898 | 40,559,499 |
| 1982-83 | 6,581 | 50.4 | 25,483,984 | 46.3 | 6,477 | 49.6 | 29,523,411 | 53.7 | 13,058 | 55,007,395 |
| 1983-84 | 7,467 | 50.5 | 29,964,667 | 47.6 | 7,318 | 49.5 | 32,947,649 | 52.4 | 14,785 | 62,912,316 |
| 1984-85 | 9,266 | 54.0 | 37,638,513 | 50.1 | 7,907 | 46.0 | 37,437,370 | 49.9 | 17,173 | 75,075,883 |
| 1985-86 | 8,249 | 51.6 | 36,773,547 | 49.0 | 7,734 | 48.4 | 38,208,183 | 51.0 | 15,983 | 74,981,730 |
| 1986-87 | 8,650 | 52.2 | 35,224,988 | 49.2 | 7,916 | 47.8 | 36,357,559 | 50.8 | 16,566 | 71,582,547 |
| 1987-88 | 8,847 | 53.8 | 34,825,697 | 50.8 | 7,606 | 46.2 | 33,750,197 | 49.2 | 16,453 | 68,575,894 |
| TOTAL | 62,848 | 48.7 | \$233,907,074 | 46.6 | 66,097 | 51.3 | \$268,527,017 | 53.4 | 128,945 | \$502,434,091 |

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS,
CHAIR

ETHICS COMMITTEE,
CHAIR



ANCHORAGE
P.O. BOX 104836
ANCHORAGE, AK 99510
(W) (907) 561-7623
(H) (907) 338-2425

JUNEAU
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STATE CAPITOL
JUNEAU, AK 99811
(907) 465-3712

Senator Pat Pourchot

P R E S S R E L E A S E

3-7-89

JUNEAU, AK

CONTACT: Senator Pat Pourchot 465-3712

SENATOR PROPOSES LOANS FOR HALF-TIME STUDENTS

JUNEAU, AK...Today Senator Pat Pourchot, D-Anchorage, introduced legislation to allow half-time students to receive state student loan funds.

Senate Bill 208 broadens the group of persons eligible for the student loan program to include the serious half-time student. "By limiting our program to full-time students, we have been neglecting some of our neediest students," said Pourchot. "Authorizing loans for half-time study will assist working people, parents, and students with disabilities who must attend college part time."

Loan terms for half-time students would be essentially half of what they are for full-time students. Loans for undergraduates would be limited to \$2,750 annually, half of the full-time limit. The repayment term would be five years rather than ten. The interest rate would remain at 8%. Loan funds could be spent only on books, tuition, and fees, not on room and board.

- MORE -

To be eligible the half-time student would need to take at least six credit hours in a degree program or be in attendance in career education classes at least 15 hours a week.

"People who are working or supporting families can benefit from state support," said Pourchot. "And with the demand for full-time loans dropping off the last couple of years, there should be adequate money in the student loan fund to allow us to assist half-time students with very little impact if any on full-time students."

The Postsecondary Education Commission, which administers the loan program, endorsed the concept of half-time loans at its March 4, 1989 meeting.

More States Are Providing Aid to Those Who Study Part Time

By GOLDIE BLUMENSTYK

Pamela J. Powell has a demanding schedule. A single parent of two grade-school-aged children, she commutes 30 minutes each way to her job at a drug company, and spends two evenings a week and Saturday afternoons in classes at the Newark campus of Rutgers University.

Fortunately for Ms. Powell, who aspires to be a lawyer, New Jersey's student financial-aid policies no longer force her to choose between a job and a college education. Ms. Powell, whose load of three courses a semester makes her a part-time student, can continue to receive state financial aid under a special program started this year.

Changing Nature of Student Body

Unluckily for Jennifer J. Daniels, the State of Washington does not have a similar program. Ms. Daniels is blind and says it is too difficult for her to attend Tacoma Community College full time because transportation poses special problems and she would need to spend an extra \$700 a semester to pay people to read to her.

But students like Ms. Daniels could soon receive help. This year state lawmakers are expected to approve a new program that would provide money to needy part-time students.

"It's really a recognition of the changing composition of the student body," says State Rep. Ken G. Jacobsen, chairman of the Higher Education Committee.

Washington is not alone. Increasingly, state officials are

dealing with the financial needs of the fastest-growing segment of the higher-education market by expanding their financial-aid programs so that working people, parents, and students with disabilities who must attend college part time can receive state aid. Today at least 30 states offer some kind of financial aid for part-timers, although some of the programs are restricted to certain kinds of students.

For example, the New Jersey program that serves Ms. Powell is only for students accepted under special conditions and who require academic help and counseling.

More than half of the 11,000 students in the program come from families with annual incomes of less than \$6,000, and even though they also qualify for federal financial aid, "there's pressure on them to pick up some additional money," says Kwaku Arma, executive director of the program.

Some students, like Ms. Powell, seek to study on a part-time basis, so that they can take a better-paying job, he says. Others are advised to take a lighter course load to help them adjust to college work. But until the state changed its financial-aid policy for them, they could not afford to do so.

In several other states—including Maryland, where the Higher Education Commission will re-evaluate its entire range of state student-aid programs next summer—coordinating boards are considering proposals to create such programs.

State Action Called Overdue

The federal government has made Pell Grants available since 1980 to students carrying at least a "half load" of courses. Beginning in 1990 needy students enrolled for less than half a course load also would be eligible, although it is still unclear whether there will be enough money in the

budget to meet the demand after first satisfying the needy full- and half-time students.

Typically, the financial aid for part-time students provided by states is available only to students taking at least a half load, although Vermont provides aid for students not pursuing a degree if they are taking courses related to their job, and Iowa next year will expand its part-time aid program to include students who take even one course.

For many advocates of financial aid to part-time students, state action of any kind is long overdue.

Students who are working or supporting families "need the help the most," says Joseph S. Murphy, chancellor of the City University of New York and a leading proponent of government support for part-time students.

New York has had such a program for five years. Even so, CUNY lobbyists this year hope to remove some of what Mr. Murphy calls the program's "onerous" requirements. If the student fails to maintain a passing grade-point average, the colleges must return most of the aid to the state, a cumbersome and expensive process. As a result, Mr. Murphy says, institutions are reluctant "to advertise the program, make it widely available, or even participate."

Lawrence N. Gold, a lobbyist in Washington who used to be employed by CUNY and worked to expand the Pell Grant program to students attending less than half time, says the problems with the New York program illustrate a more troublesome issue. Even in states where officials have committed substantial resources—\$11-million in the case of New York—other factors can undermine the effectiveness of programs.

Working students often cannot go to a financial-aid office during regular business hours, and sometimes program budgets do not provide enough money for those offices to maintain

evening hours. Also, Mr. Gold says, some financial-aid officials are reluctant to promote the programs. They require more work than preparing an aid package for a full-time student, since smaller sums are distributed to a greater number of students.

To overcome such barriers, states such as Michigan, which spent \$2-million for aid to part-time students last year, sponsor special campaigns to publicize the programs, including public-service announcements on radio and television stations.

Still, in some states, lawmakers and higher-education officials have rejected the idea of using state money for such programs altogether.

In some of those states, the officials believe the part-time student "is probably not a very serious student, whatever serious means," says Jerry S. Davis, director of policy and research analysis for the Pennsylvania Higher Education Assistance Authority. He compiles an annual survey on state financial-aid programs.

In Pennsylvania, for example, a bill to establish an aid program for part-time students has failed to win support from the General Assembly for each of the last three years, although the state does have an extensive financial-aid program for full-timers.

'A Solomon-Like Decision'

Lawmakers believe "their need isn't as great because they have a job and they're only paying half the tuition and most of them are attending lower-cost community colleges," Mr. Davis says.

Others see the need to help part-time students, but believe that the states should not be the ones to meet it.

W. Ann Reynolds, chancellor of the California State University System, contends that it is a much more appropriate role for the federal government. She notes that many states, including California, are constrained financially by laws that restrict state spending and by cyclical economic conditions.

"We don't have the funding" to pay for the needs of both full-time and part-time students, she says. Deciding which group to serve would present "a Solomon-like decision for us and kind of an awful one."

Ms. Reynolds says California already assists part-time students with its low college costs.

The opposite is true in Vermont, a state with a policy of charging high tuition in public colleges and matching it with large financial-aid awards for needy students.

The Vermont experience also illustrates another problem for state financial-aid programs. Before Vermont started its aid program for part-time students, it was able to meet 60 per cent of the financial-aid needs of full-timers. Today it can afford to meet only 40 per cent of those needs.

Suzanne A. Valenti, executive director of the Vermont Higher Education Planning Commission, says that is the reason she was initially uneasy about the program, now in its fourth year.

"I had some questions about divvying up the pie," she says. "I think it has hurt in that regard."

But Ms. Valenti says she also realizes that not every student "needs or wants a degree," and that many of the part-time students—81 per cent of whom are women—could not have had a college experience without the state program.

"There was obviously an erosion of aid for traditional students," she says, but "it's probably helping the people who need it most."

Student Loan Corporation

§ 14.42.100

ALASKA STATUTES

§ 14.42.150

§ 14.42.160

EDUCATION

§ 14.42.200

Sec. 14.42.100. Creation of Alaska Student Loan Corporation. There is created the Alaska Student Loan Corporation. The corporation is a public corporation and government instrumentality within the Department of Education but having a legal existence independent of and separate from the state. The corporation may not be terminated as long as it has bonds, notes, or other obligations outstanding. Upon termination of the corporation, its rights and property pass to the state. (§ 2 ch 92 SLA 1987)

Sec. 14.42.110. Purpose of corporation. The purpose of the corporation is to improve higher educational opportunities for residents of the state in accordance with this chapter. (§ 2 ch 92 SLA 1987)

Sec. 14.42.120. Corporation governing body. (a) The corporation shall be governed by a board of directors appointed by the governor consisting of two members of the Alaska Commission on Postsecondary Education, each of whom is selected for the commission under AS 14.42.015(a)(1) -- (2), (4) -- (6), (8), or (9) and the commissioner of revenue, the commissioner of administration, and the commissioner of commerce and economic development. Members of the board serve without compensation but the members who are also members of the Alaska Commission on Postsecondary Education are entitled to per diem and travel expenses authorized by law for boards and commissions under AS 39.20.180.

(b) The board shall elect a chairman from among its membership at its annual meeting each year. A majority of the members constitute a quorum for organizing the board, conducting its business, and exercising the powers of the corporation. (§ 2 ch 92 SLA 1987)

Sec. 14.42.130. Meetings of the board. (a) The board shall meet at the call of its chairman and at other times as the board may determine in accordance with its regulations.

(b) Public notice of a meeting of the board at which the issuance of corporation bonds is authorized shall be provided at least 24 hours before the meeting. (§ 2 ch 92 SLA 1987)

Sec. 14.42.140. Minutes of meetings. The board shall keep minutes of each meeting and send a certified copy to the governor and to the Legislative Budget and Audit Committee. (§ 2 ch 92 SLA 1987)

Sec. 14.42.150. Administration of affairs. The board shall manage the assets and business of the corporation and may adopt bylaws and regulations, in accordance with the Administrative Procedure Act (AS 44.62), governing the manner in which the business of the corporation is conducted and the manner in which its powers are exercised. The board shall delegate supervision of the administration of the cor-

poration to the executive officer of the corporation. (§ 2 ch 92 SLA 1987)

Sec. 14.42.160. Executive officer. The executive officer of the Commission on Postsecondary Education appointed under AS 14.42.040(a) shall serve as executive officer of the corporation. The board shall prescribe the duties of the executive officer. (§ 2 ch 92 SLA 1987)

Sec. 14.42.170. Staff. The employees of the Alaska Commission on Postsecondary Education shall serve as staff for the corporation. (§ 2 ch 92 SLA 1987)

Sec. 14.42.190. Budget. The operating budget of the corporation is subject to AS 37.07 (Executive Budget Act). (§ 2 ch 92 SLA 1987)

Sec. 14.42.200. General powers. In addition to other powers granted in this chapter, the corporation may

- (1) sue and be sued in its own name;
- (2) adopt an official seal;
- (3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of this chapter;
- (4) make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the corporation, including contracts with a person or governmental entity;
- (5) receive, administer, and comply with the conditions and requirements respecting any appropriation, gift, grant, or donation of property or money;
- (6) borrow money as provided in this chapter to carry out its corporate purposes and issue its obligations as evidence of the borrowing;
- (7) include in a borrowing the amounts to pay financing charges, interest on the obligations for a period not exceeding one year after the date on which the corporation estimates funds will otherwise be available to pay the interest, consultant, advisory and legal fees and other expenses necessary or incident to the borrowing;
- (8) invest or reinvest, subject to its contracts with noteholders and bondholders, money held by the corporation in obligations or other securities authorized for investments of the commissioner of revenue under AS 37.10.070(a);
- (9) collect from a borrower amounts owed with respect to a student loan the corporation has purchased;
- (10) gather information on student loans available to residents of Alaska and disseminate the information to reasonably assure that qualified residents are aware of financial resources available to those attending or desiring to attend institutions for which loans may be

made under AS 14.43.090 — 14.43.325, 14.43.600 — 14.43.700, or 14.43.710 — 14.43.790;

(11) service student loans held by the corporation;
 (12) purchase or participate in the purchase of student loans;
 (13) contract in advance for the purchase or sale of student loans;
 (14) sell or participate in the sale, either public or private and on terms authorized by the board, of student loans to the Student Loan Marketing Association or to other purchasers;

(15) collect and pay reasonable fees and charges in connection with the purchase, sale, and servicing of student loans;

(16) enter into agreements with the federal government, including guaranty agreements and supplemental guaranty agreements as described in the United States Higher Education Act of 1965, as necessary to provide for the receipt by the corporation of administrative allowances and other benefits available under the United States Higher Education Act of 1965;

(17) administer federal money allotted to the state involving insured student loans and related administrative costs and other matters;

(18) enter into agreements with the Alaska Commission on Postsecondary Education relating to student loans, the administration of the student loan fund created under AS 14.42.210, and the payment of and security for bonds of the corporation;

(19) to the extent permitted under contracts with bond holders, consent to the modification of the rate of interest, time of payment of an installment of principal or interest, or other terms of a student loan purchased by the corporation;

(20) procure insurance against any loss in connection with the operation of its programs;

(21) provide advisory services to borrowers and other participants in the corporation's programs;

(22) enter into credit facility agreements and make pledges, covenants, and agreements with respect to the repayment of borrowings under the credit facility agreements;

(23) do all acts necessary, convenient, or desirable to carry out the powers expressly granted or necessarily implied in AS 14.42.100 — 14.42.390. (§ 2 ch 92 SLA 1987)

Sec. 14.42.210. Student loan fund. (a) The student loan fund is established in the corporation. The student loan fund is a trust fund to be used to carry out the purposes of AS 14.42.100 — 14.42.390, AS 14.43.090 — 14.43.325, 14.43.600 — 14.43.700, and 14.43.710 — 14.43.790. The fund consists of money or assets appropriated or transferred to the corporation for the fund and money or assets deposited in it by the corporation. The corporation may establish separate accounts in the fund.

(b) Money and other assets of the student loan fund may be used to secure bonds of the corporation, invested in student loans and investments described in AS 37.10.070(a) and used to purchase loans approved under AS 14.43.090 — 14.43.325, 14.43.600 — 14.43.700, or 14.43.710 — 14.43.790.

(c) The student loan fund shall be administered by the Alaska Commission on Postsecondary Education. The corporation and the commission may enter into agreements relating to the administration of the fund. The corporation may assign its rights under the agreements for the benefit and security of holders of its bonds. (§ 2 ch 92 SLA 1987)

Sec. 14.42.220. Bonds of the corporation. (a) Subject to (f) of this section, the corporation may borrow money and may issue bonds, on which the principal and interest are payable from its income and receipts or other assets or a designated part or parts of them.

(b) Bonds may be authorized only by resolution of the board. Bonds shall be dated, bear interest at the rate or rates, be in the denominations, be in the form, either coupon or registered, carry the registration privileges, be executed in the manner, be payable in the medium of payment, at the place or places, be subject to the terms of redemption, and mature as provided by the resolution or a subsequent resolution. However, a bond may not mature more than 30 years after the date it is issued.

(c) Bonds of the corporation, regardless of form or character, are negotiable instruments for all the purposes of the Uniform Commercial Code (AS 45.01 — AS 45.09).

(d) Bonds of the corporation may be sold at public or private sale in the manner, for the price or prices, and at the time or times that the board determines.

(e) The superior court has jurisdiction to hear and determine proceedings relating to the corporation, including proceedings brought by or for the benefit of a bondholder or by a trustee for or other representative of a bondholder.

(f) The corporation may not issue bonds, other than refunding bonds, during any two consecutive fiscal years in an aggregate amount greater than \$125,000,000 unless the legislature, by law, approves issuance of a greater amount. (§ 2 ch 92 SLA 1987)

Sec. 14.42.230. Trust indentures and trust agreements. An issue of bonds by the corporation may be secured by a trust indenture or trust agreement between the corporation and a corporate trustee, which may be a trust company, bank, or national banking association, with corporate trust powers, located inside or outside the state, or by a secured loan agreement or other instrument or under a resolution giving powers to a corporate trustee by means of which the corporation may:

(1) enter into agreements with the trustee or the bondholders that the board determines to be necessary or desirable, including covenants, provisions, limitations, and other agreements as to the

(A) application, investment, deposit, use, and disposition of the proceeds of bonds of the corporation or of money or other property of the corporation or in which it has an interest;

(B) fixing and collecting loan payments and other consideration for a student loan;

(C) assignment by the corporation of its rights in a student loan or in a mortgage or other security interest created with respect to a student loan to a trustee for the benefit of bondholders;

(D) terms and conditions upon which additional bonds of the corporation may be issued;

(E) vesting in a trustee of rights, powers, duties, funds, or property in trust for the benefit of bondholders, including the right to enforce payment, performance, and other rights of the corporation or of the bondholders, under a student loan or a security interest created with respect to a student loan;

(2) pledge, mortgage or assign money, agreements, property, or other assets of the corporation either presently in hand or to be received in the future, or both; and

(3) provide for other matters that in any way affect the security or protection of the bonds. (§ 2 ch 92 SLA 1987)

Sec. 14.42.240. Reserves and capital reserves. (a) For the purpose of securing one or more issues of bonds of the corporation, the board may establish one or more special funds, called "capital reserve funds," and may pay into those capital reserve funds the proceeds of the sale of bonds and other money available to the corporation from other sources for the purposes of the capital reserve funds. A capital reserve fund may be established only if the board determines that the establishment of the fund would enhance the marketability of the bonds. Money in a capital reserve fund, except as provided in this section, may be used as required only for the (1) payment of the principal of, and interest on, bonds or of the sinking fund payments with respect to those bonds; (2) purchase or redemption of the bonds; or (3) payment of a redemption premium required to be paid when the bonds are redeemed before maturity. However, money in a capital reserve fund may not be withdrawn if the withdrawal would reduce the amount in the capital reserve fund to less than the capital reserve fund requirement, except for the purpose of making payment, when due, of principal, interest, or redemption premiums on the bonds when other money of the corporation is not available for the payments. Income or interest earned by, or increment to, a capital reserve fund, from the investment of all or part of the fund, may be transferred by the corporation to other funds or accounts of the corporation if the

transfer does not reduce the amount of the capital reserve fund below the capital reserve fund requirement.

(b) If the board decides to issue bonds secured by a capital reserve fund, the bonds may not be issued if the amount in the capital reserve fund is less than the capital reserve fund requirement, unless the corporation, at the time of issuance of the bonds, pledges to deposit in the capital reserve fund from the proceeds of the bonds to be issued or from other sources, an amount that, together with the amount then in the fund, is not less than the capital reserve fund requirement.

(c) In computing the amount of a capital reserve fund for the purpose of this section, securities in which all or a portion of the fund is invested and credit facilities deposited in or credited to a capital reserve fund under (f) of this section shall be valued by a reasonable method established by the board by resolution. Valuation shall include the amount of interest earned or accrued as of the date of valuation.

(d) By January 15 of each year, the chairman of the board shall certify in writing to the governor and the legislature the amount, if any, required to restore a capital reserve fund to the capital reserve fund requirement. The legislature may appropriate to the corporation the amount certified by the chairman. The corporation shall deposit the amounts appropriated under this subsection during a fiscal year in the proper capital reserve fund. This subsection does not create a debt or liability of the state.

(e) The board may establish reserve funds, other than capital reserve funds, to secure one or more issues of bonds of the corporation. The corporation may deposit in a reserve fund established under this subsection the proceeds of sale of its bonds and other money available from any other source. The corporation may allow a reserve fund established under this subsection to be depleted without complying with (d) of this section.

(f) The corporation may hold in a capital reserve fund, in lieu of money and in satisfaction of all or part of a capital reserve fund requirement, irrevocable letters of credit issued by a commercial bank, surety bonds, insurance policies, and similar credit facilities.

(g) In this section, "capital reserve fund requirement" means the amount required to be on deposit in the capital reserve fund as of the date of computation as determined by resolution of the board. (§ 2 ch 92 SLA 1987)

Sec. 14.42.250. Validity of pledge. It is the intention of the legislature that a pledge made in respect to bonds of the corporation shall be valid and binding from the time the pledge is made; that the money or property so pledged and thereafter received by the corporation shall immediately be subject to the lien of the pledge without physical delivery or further act; and that the lien of the pledge shall be valid and

binding as against all parties having claims of any kind in tort, contract, or otherwise against the corporation irrespective of whether the parties have notice. Neither the resolution, trust agreement, nor other instrument by which a pledge is created need be recorded or filed under the provisions of the Uniform Commercial Code (AS 45.01 — AS 45.09) to be valid, binding, or effective. (§ 2 ch 92 SLA 1987)

Sec. 14.42.260. Nonliability on bonds. (a) The members of the board and individuals executing the bonds of the corporation are not liable personally on the bonds or subject to personal liability or accountability by reason of the issuance of the bonds.

(b) The bonds issued by the corporation do not constitute an indebtedness or other liability of the state or of a political subdivision of the state, except the corporation, but shall be payable solely from the income and receipts or other funds or property of the corporation. The corporation may not pledge the faith or credit of the state, or of a political subdivision of the state, except the corporation, to the payment of a bond. Issuance of a bond by the corporation does not directly, indirectly, or contingently obligate the state or a political subdivision of the state to apply money from, or levy or pledge any form of taxation whatever to the payment of the bond. (§ 2 ch 92 SLA 1987)

Sec. 14.42.265. Underwriters. The board may select one or more underwriters for its bonds in accordance with procedures

- (1) for the award of a contract under AS 36.30.200 — 36.30.260; or
- (2) adopted by regulations of the board that are based on the competitive principles of AS 36.30.200 — 36.30.260 and are adapted to the special needs of the corporation in the selling of its bonds as determined by the board. (§ 2 ch 92 SLA 1987)

Sec. 14.42.270. Pledge and agreement of state. The state pledges to and agrees with holders of bonds issued by the corporation that the state will not limit or alter the rights and powers vested in the corporation under AS 14.42.100 — 14.42.390 to fulfill the terms of a contract made by the corporation with the bondholders or in any way impair the rights and remedies of the bondholders until the bonds, together with the interest on them with interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the bondholders, are fully met and discharged. The corporation may include this pledge and agreement of the state in a contract with bondholders. (§ 2 ch 92 SLA 1987)

Sec. 14.42.280. Exemption from taxation. The real and personal property of the corporation and its assets, income, and receipts are declared to be the property of a political subdivision of the state and devoted to an essential public and governmental function and purpose, and the property, assets, income, receipts, and other interests of the corporation are exempt from all taxes and special assessments of the state or a political subdivision of the state, including municipalities, school districts, public utility districts, and other governmental units. Bonds of the corporation are declared to be issued by a political subdivision of the state and for an essential public and governmental purpose, and the bonds, interest on them, income from them, and transfer of them, and all assets, income, and receipts pledged to pay or secure the payment of the bonds, or interest on them, are exempt from taxation by or under the authority of the state, except for inheritance and estate taxes and taxes on transfers by or in contemplation of death. (§ 2 ch 92 SLA 1987)

Sec. 14.42.290. Bonds legal investments for fiduciaries. The bonds of the corporation are securities in which public officers and bodies of the state, municipalities, insurance companies, insurance associations, other persons carrying on an insurance business, banks, bankers, trust companies, savings banks, savings associations, building and loan associations, investment companies, other persons carrying on a banking business, administrators, guardians, executors, trustees, other fiduciaries, and other persons who are authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the corporation are also securities that may be deposited with and may be received by public officers and bodies of the state and municipalities for any purpose for which the deposit of bonds or other obligations of the state is not or may be authorized. (§ 2 ch 92 SLA 1987)

Sec. 14.42.300. Operation of certain statutes excepted. (a) The corporation is not a municipality as the term is defined in AS 01.10.060. Except as provided in AS 14.42.190, the corporation is not subject to AS 37. For all other purposes the corporation is a political subdivision and an instrumentality of the state.

(b) The funds, income, and receipts of the corporation are not money of the state, nor may real property in which the corporation has an interest be considered land owned in fee by the state or to which the state may become entitled or in any way land belonging to the state, or state land referred to in art. VIII of the Alaska Constitution. (§ 2 ch 92 SLA 1987)

Sec. 14.42.310. Annual audit. The financial records of the corporation shall be audited annually by the legislative auditor or by a certified public accountant approved by the legislative auditor. The legislative auditor may prescribe the form and content of the financial records of the corporation and shall have access to these records at any time. (§ 2 ch 92 SLA 1987)

Sec. 14.42.390. Definitions. In AS 14.42.100 — 14.42.390,
(1) "board" means the board of directors of the corporation;
(2) "corporation" means the Alaska Student Loan Corporation. (§ 2 ch 92 SLA 1987)

Revisor's notes. — Enacted as AS 14.42.500. Renumbered in 1987.

Chapter 43. Scholarship, Loan, and Grant Programs for Postsecondary Students.

Article

1. University of Alaska Scholarships for High School Graduates (§§ 14.43.010 — 14.43.030)
2. University of Alaska Scholarships for Natives (§§ 14.43.050 — 14.43.075)
3. Free Tuition and Fees for Dependents (§ 14.43.080)
4. Scholarship Loan Program (§§ 14.43.090 — 14.43.160)
5. Memorial Scholarship Revolving Loan Fund (§§ 14.43.250 — 14.43.325)
6. Educational Incentive Grant Program (§§ 14.43.400 — 14.43.500)
7. Teacher Scholarship Loan Program (§§ 14.43.600 — 14.43.700)
8. Alaska Family Education Loan Program (§§ 14.43.710 — 14.43.790)
9. General Provisions (§ 14.43.910)

Article 1. University of Alaska Scholarships for High School Graduates.

| Section | Section |
|---|--|
| 10. Students entitled to scholarships | 20. Applications for and issuance and report of certificates |
| 15. Alternate upon refusal or failure to accept | 25. Forfeiture of scholarship benefits |
| | 30. Payment of scholarships |

Collateral references. — 15A Am. Jur. 2d Colleges and Universities, §§ 19, 20. 14 C.J.S. Colleges and Universities, §§ 27, 28.

Sec. 14.43.010. Students entitled to scholarships. The high school student in each graduating class in each high school in the state who, upon the completion of four years of high school work in a high school in the state, obtains the highest average standing for all the credits earned, and who is graduated at an annual commencement is entitled to receive, during dormitory residence at the University of

Alaska, a scholarship covering dormitory rent for a period of two years following the year of graduation upon presenting to the registrar of the university a certificate signed by the superintendent or principal of the high school from which the student graduated stating that the graduate named is entitled to receive the benefits of the scholarship. Dormitory residence is governed by the rules and regulations established by the Board of Regents. (§ 37-10-41 ACLA 1949)

Revisor's notes. — Formerly AS 14.40.460. Renumbered in 1982.

Sec. 14.43.015. Alternate upon refusal or failure to accept. If a person entitled to receive the benefit of AS 14.43.010 declines or fails to accept it, the graduate next in line in class standing is entitled to receive the benefit. (§ 37-10-42 ACLA 1949)

Revisor's notes. — Formerly AS 14.40.470. Renumbered in 1982.

Sec. 14.43.020. Applications for and issuance and report of certificates. A certificate shall be applied for and issued to a graduate before August 2 of each year and shall be reported immediately to the registrar of the University of Alaska by the superintendent or principal issuing it. (§ 37-10-43 ACLA 1949)

Revisor's notes. — Formerly AS 14.40.480. Renumbered in 1982.

Sec. 14.43.025. Forfeiture of scholarship benefits. Failure to do passing work in more than one subject during a semester, or withdrawal or expulsion from the University of Alaska, constitutes a forfeiture during the following semester or semesters of the benefits of AS 14.43.010 and 14.43.015. (§ 37-10-44 ACLA 1949)

Revisor's notes. — Formerly AS 14.40.490. Renumbered in 1982.

Sec. 14.43.030. Payment of scholarships. Payment of the scholarships shall be made monthly to the University of Alaska upon vouchers drawn upon the Department of Administration and duly certified by the treasurer and the president of the Board of Regents. Payments may not be made in excess of amounts specifically appropriated for this purpose. (§ 37-10-45 ACLA 1949; am § 23 ch 127 SLA 1974)

Student Loan Program

§ 14.43.090

ALASKA STATUTES

§ 14.43.090

Revisor's notes. — Formerly AS 14.40.920. Renumbered in 1982.

Article 4. Scholarship Loan Program.

Section

- 90 Scholarship revolving loan fund
- 95 Financial aid committee
- 100 Applications
- 105 Administration of program
- 110 Undergraduate loans
- 115 Graduate loans

Section

- 120 Conditions of loans
- 125 Eligibility of students
- 135 Discrimination prohibited
- 140 Enforceability of certain contracts with minors
- 160 Definitions

Collateral references. — 15A Am. Jur. 21 Colleges and Universities, §§ 19, 20.

14 C.J.S. Colleges and Universities, §§ 27, 28.

Validity and application of provisions governing determination of residency for purposes of fixing fee differential for out-

of-state students in public college. 56 ALR6d 611.

Increase in tuition as actionable in suit by student against college or university. 99 ALR6d 885.

Absence from or inability to attend school or college as affecting liability for or right to recover payments for tuition or board. 20 ALR6th 303.

Sec. 14.43.090. Scholarship revolving loan fund. (a) There is created a scholarship revolving loan fund. The fund shall be used to make scholarship loans to students selected under AS 14.43.090 — 14.43.160, to pay the costs of collecting scholarship loans that are in default if those costs are not recovered from the student, and to pay the costs of administering the fund. Unless the instrument evidencing the scholarship loan has been sold or assigned to the Alaska Student Loan Corporation, repayments of principal and interest on a scholarship loan shall be paid into the scholarship revolving loan fund. If money estimated to be available is inadequate to fully fund estimated scholarship loans for any fiscal year, additional funding from the general fund may be requested and appropriated for that year.

(b) [Repealed, § 31 ch 59 SLA 1982.]

(c) [Repealed, § 31 ch 59 SLA 1982.]

(d) The student financial aid committee created under AS 14.43.095 may sell or assign notes and other instruments evidencing scholarship loans to the Alaska Student Loan Corporation and enter into agreements with the corporation relating to loans, the administration of the student loan fund created under AS 14.42.210, and the payment of and security for bonds of the corporation. Proceeds from the sale or assignment of notes and other instruments shall be deposited in the scholarship revolving loan fund. (§ 1 ch 98 SLA 1971; am § 1 ch 156 SLA 1972; am §§ 1, 2 ch 136 SLA 1974; am § 1 ch 136 SLA 1975; am § 31 ch 59 SLA 1982; am § 1 ch 158 SLA 1984; am §§ 3, 4 ch 92 SLA 1987)

§ 14.43.095

EDUCATION

§ 14.43.100

Revisor's notes. — Formerly AS 14.40.751. Renumbered in 1982.

Effect of amendments. — The 1984 amendment, in subsection (a), added "and to pay the costs of collecting student loans that are in default if those costs are not recovered from the student" at the end of the first sentence and substituted "loan fund" for "fund shall be used to make new scholarship loans" in the second sentence and "money estimated to be" for "funds" and "is" for "are" in the third sentence. The 1987 amendment in subsection (a)

in the second sentence substituted "scholarship" for "student" following "collecting," added "and to pay the costs of administering the fund" at the end of the sentence, and made a related stylistic change. In the third sentence substituted "Unless the instrument evidencing the scholarship loan has been sold or assigned to the Alaska Student Loan Corporation" for "All" and "a scholarship loan" for "loans," and in the last sentence deleted "from scholarship loan repayments" following "available"; and added subsection (d).

Sec. 14.43.095. Financial aid committee. (a) The student financial aid committee is composed of the members of the Alaska Commission on Postsecondary Education. The commission may delegate its functions under AS 14.43.090 — 14.43.160 to a committee of its members, with augmented membership as the commission considers appropriate. The executive officer of the commission is the executive secretary of the committee. The Alaska Commission on Postsecondary Education shall administer the program established by AS 14.43.090 — 14.43.160.

(b) Members of the committee serve without compensation but are entitled to per diem and travel expenses authorized by law for boards and commissions.

(c) The committee shall make an annual report reviewing the work of the committee to the governor and the legislature.

(d) The committee shall meet at least once a year. The meetings shall be held at the call of the chairman or upon petition by two members. (§ 1 ch 98 SLA 1971; am § 2 ch 156 SLA 1972; am § 5 ch 78 SLA 1974; am § 3 ch 136 SLA 1974; am § 57 ch 6 SLA 1984)

Revisor's notes. — Formerly AS 14.40.753. Renumbered in 1982.

Effect of amendments. — The 1984 amendment substituted "and the legisla-

ture" for "the legislature and the private colleges and universities where students receiving tuition grants are enrolled" in subsection (c).

Sec. 14.43.100. Applications. (a) Applications shall be submitted to the executive secretary of the committee.

(b) A person whose loan application is not recommended or presented to the committee by the executive secretary may appeal to the committee through the chairman of the committee and the committee shall consider the application. (§ 1 ch 98 SLA 1971; am § 3 ch 156SLA 1972; am § 4 ch 136 SLA 1974; am § 58 ch 6 SLA 1984)

Revisor's notes. — Formerly AS 14.40.755. Renumbered in 1982.

Effect of amendments. — The 1984

amendment deleted "or grant" following "loan" in subsection (b)

Sec. 14.43.105. Administration of program. The executive secretary shall administer the programs subject to review by the committee and in accordance with the regulations adopted by the committee. The adoption of these regulations is subject to the Administrative Procedure Act (AS 41.62). A summary of the regulations shall be distributed to each applicant. (§ 1 ch 98 SLA 1971; am § 5 ch 136 SLA 1974)

Revisor's notes. — Formerly AS 14.40.757. Renumbered in 1982.

Sec. 14.43.110. Undergraduate loans. The student financial aid committee may make a loan, not to exceed \$5,500 in any one school year, to an undergraduate student eligible under AS 14.43.125. The committee may make a loan for a summer term, even if the total loan for the school year exceeds the \$5,500 maximum, if the loan for the summer term is counted against the \$5,500 maximum for the following school year. (§ 1 ch 98 SLA 1971; am § 6 ch 136 SLA 1974; am § 1 ch 153 SLA 1978; am § 1 ch 89 SLA 1981; am § 1 ch 34 SLA 1985; am § 1 ch 65 SLA 1986)

Revisor's notes. — Formerly AS 14.40.759. Renumbered in 1982.

Effect of amendments. — The 1985 amendment added the second sentence of the section.

The 1986 amendment inserted "student financial aid" in the first sentence and substituted "\$5,500" for "\$6,000" in three places in the section.

Sec. 14.43.115. Graduate loans. The student financial aid committee may make a loan, not to exceed \$6,500 in any one school year, to a graduate student who is eligible under AS 14.43.125 and is pursuing an advanced degree. The committee may make a loan for a summer term, even if the total loan for the school year exceeds the \$6,500 maximum, if the loan for the summer term is counted against the \$6,500 maximum for the following school year. (§ 1 ch 98 SLA 1971; am § 7 ch 136 SLA 1974; am § 2 ch 89 SLA 1981; am § 2 ch 34 SLA 1985; am § 2 ch 65 SLA 1986)

Revisor's notes. — Formerly AS 14.40.761. Renumbered in 1982.

Effect of amendments. — The 1985 amendment added the second sentence.

The 1986 amendment inserted "student financial aid" in the first sentence and substituted "\$6,500" for "\$7,000" in three places in the section.

Sec. 14.43.120. Conditions of loans. (a) Proceeds from scholarship loans may only be used for books, tuition and required fees, and for room and board.

(b) Scholarship loans may only be used to attend a

(1) career education program that has been approved by the commission before July 1, 1986, or has been operating for at least two years before the borrower attends; or

(2) a college or university that

(A) has been approved by the commission before July 1, 1986, or has been operating for at least two years before the borrower attends;

(B) is accredited by a national or regional accreditation association recognized by the Council on Postsecondary Accreditation or is approved by the commission; and

(C) if the loans are federally insured, is approved by the United States Secretary of Education.

(c) To maintain a loan the student must continue to be enrolled as a full-time student in good standing in a career education program, college or university designated under (b) of this section. The commission shall adopt regulations defining "good standing" for purposes of this subsection.

(d) Scholarship loans may not be made to a student

(1) for more than five years of undergraduate study;

(2) for more than five years of graduate study;

(3) for more than a total of eight years of undergraduate and graduate study;

(4) to attend an institution, other than a nonprofit institution, if the total amount of scholarship loans made to students to attend that institution exceeds \$100,000 and the default rate on those loans exceeds the program default rate by more than 150 percent as defined by regulation.

(e) Loans are interest bearing while a student is enrolled under (c) of this section or is receiving a deferment of payments under (k) of this section; however, a student is entitled to have a portion of the interest paid in accordance with (l) of this section.

(f) Interest on a loan given under AS 14.43.090 — 14.43.160 is at the rate of eight percent a year unless the loan is in default. Interest on a loan that is in default is 10 percent a year for the period the loan is in default.

(g) Repayment of the principal and interest on the loan begins no later than one year after the borrower's studies are terminated. The loan shall provide for repayment of the total amount owed in periodic installments in not more than 10 years from the commencement of repayment, except as provided in (k) and (m) of this section. If the commission and the borrower agree to a different repayment schedule, the borrower shall repay the loan in accordance with the agreement. A borrower may make payments earlier than required by this subsection.

(h) Security may not be required for a loan; however, provision shall be made for payment of all fees and costs incurred in collection of the amount owed on the loan if it becomes delinquent or in default.

(i) If a loan is in default, the commission shall notify the borrower that repayment of the remaining balance is accelerated and due by sending the borrower a notice by registered or certified mail. The

permanent fund dividend of a borrower may be taken under AS 43.23.065(b)(4) to satisfy the balance due on the defaulted loan.

(j) *[Repealed, § 19 ch 92 SLA 1987.]*

(k) Periodic installments of principal shall be deferred, but interest shall accrue and be paid unless the student is eligible for interest payment benefits under (h) of this section during any of the following:

- (1) return to student status as provided in (c) of this section;
- (2) serving an initial period of up to six years on active duty as a member of the armed forces of the United States;
- (3) serving, for up to three years, as a full-time volunteer under the Peace Corps Act;
- (4) serving, for up to three years, as a full-time volunteer under the Domestic Volunteer Service Act of 1973;
- (5) for a one-time period up to 12 months in which the borrower is seeking and unable to find employment in the United States; or
- (6) if the borrower becomes 50 percent or more disabled as certified by competent medical authority.

(h) The state shall pay the interest on that portion of a loan that is not federally insured during

- (1) the period in which the borrower is a full-time student;
- (2) deferments under (k) of this section.

(m) In case of hardship, the committee may extend repayment of a loan for an additional period of up to five years in increments no longer than 12 months each.

(n) *[Repealed, § 11 ch 89 SLA 1981.]*

(o) *[Repealed, § 19 ch 92 SLA 1987.]*

(p) For purposes of this section, a person qualifies as a resident if the person is physically present in the state with the intent to remain permanently in the state or, if not physically present in the state, the person intends to return to the state and is absent due to military service.

(q) For the purposes of this section a loan is in default if a loan payment is 120 or more days past due.

(r) The rate of interest, time of payment of an installment of principal or interest, or other terms of a scholarship loan may be modified if required to establish or maintain tax-exempt status under 26 U.S.C. 103 (Internal Revenue Code of 1986), as amended, for the interest on bonds issued by the Alaska Student Loan Corporation. (§ 1 ch 98 SLA 1971; am § 4 ch 156 SLA 1972; am § 6 ch 78 SLA 1974; am § 8 ch 136 SLA 1974; am §§ 1 — 4 ch 99 SLA 1977; am §§ 3 — 8 ch 87 SLA 1979; am §§ 3 — 9, 11 ch 89 SLA 1981; am §§ 2 — 4 ch 158 SLA 1984; am § 3 ch 34 SLA 1985; am §§ 3, 4 ch 65 SLA 1986; am §§ 5 — 9, 19 ch 92 SLA 1987)

Revisor's notes. — Formerly AS 14.40.763. Renumbered in 1982.

In 1987, "Secretary" was substituted for "Commissioner" in (b)(2)(C) of this section to conform to the change in federal law.

Effect of amendments. — The 1984 amendment added subsection (q) and, in subsection (f), added the second sentence and added "unless the loan is in default" at the end of the first sentence; and, in subsection (o), substituted "that is in default" for "to a borrower named in a complaint as a defendant in an action by the state or by the commission to secure payment of the unpaid balance of a loan made under AS 14.43.110 or 14.43.115."

The 1985 amendment inserted "an initial period of up to six years" in paragraph (2) of subsection (k).

The 1986 amendment rewrote subsection (b) and in subsection (f) substituted "eight" for "five" in the first sentence.

The 1987 amendment added subsection (d)(4); in subsection (b) substituted "a loan" for "the loans" and "all" for "attorney," deleted "of court if either or both are" following "costs" and added "if it becomes delinquent or in default"; added the last sentence of subsection (l); in subsection (h) substituted "shall" for "will" in the introductory language and substituted "in which the borrower is a full-time student" for "before the beginning of the repayment period of the loan" at the end of paragraph (1); added subsection (r); and repealed subsections (j) and (n).

Legislative history reports. — For a report of legislative intent concerning the loan forgiveness provisions of ch. 89, SLA 1981 (FCUSSB 120), see 1981 Senate Journal p. 1560, 1580; 1981 House Journal p. 2289.

Sec. 14.43.125. Eligibility of students. (a) A person may apply for and obtain a scholarship loan if the person

(1) is

(A) enrolled as a full-time student in a career education, associate, baccalaureate, or graduate degree program; or

(B) a graduate of a high school or the equivalent, or scheduled for graduation from a high school within six months, with sufficient credits to be admitted to a career education program or to an accredited college or university;

(2) is not delinquent or in default on a previously awarded scholarship loan; and

(3) is a resident of the state at the time of application for the loan; for purposes of this section, a person qualifies as a resident of the state if at the time of application for the loan the person

(A) has been physically present in the state for at least two years immediately before the time of application for the loan;

(B) is dependent on a parent or guardian for care, the parent or guardian has been present in the state for at least two years immediately before the time of application for the loan and the person has been present in the state for at least one year of the immediately preceding five years except that the commission may by a two-thirds vote, acting upon a written appeal by the person, grant an exemption to the requirement that the person has been present in the state for one year of the immediately preceding five years;

(C) has been physically present in the state, or is a dependent of a parent or guardian who has been physically present in the state, for at least two years immediately before the applicant was absent from the state and the absence is due solely to

(i) serving an initial period of up to six years on active duty as a member of the armed forces of the United States;

(ii) serving, for up to three years, as a full-time volunteer under the Peace Corps Act;

(iii) serving, for up to three years, as a full-time volunteer under the Domestic Volunteer Service Act of 1973;

(iv) required medical care for the applicant or the applicant's immediate family;

(v) being a person who otherwise qualifies as a resident and is accompanying a spouse who qualifies as a resident under (b) — (iv) of this paragraph; or

(D) has been physically present in the state, or is a dependent of a parent or guardian who has been physically present in the state, for at least two years immediately before the applicant or the parent or guardian was absent from the state and the absence is due solely to

(i) participating in a foreign exchange student program recognized by the commission;

(ii) attending a school as a full-time student;

(iii) full-time employment by the state;

(iv) being a member of or employed full-time by the state's congressional delegation;

(v) being a person who otherwise qualifies as a resident and is accompanying a spouse who qualifies as a resident under (i) — (iv) of this paragraph; and

(4) does not have a past due child support obligation established by court order or by the child support enforcement division under AS 47.23.160 — 47.23.220 at the time of application.

(b) A person does not qualify as a resident of the state under this section if the person declares or establishes residence in another state during an absence from Alaska.

(c) A person may not be awarded a scholarship loan under AS 14.43.090 — 14.43.160 if a family education loan is made on behalf of that person under AS 14.43.710 — 14.43.790 or if that person receives a teacher scholarship loan under AS 14.43.600 — 14.43.700 for the same school year. (§ 1 ch 98 SLA 1971; am § 10 ch 89 SLA 1981; am § 9 ch 67 SLA 1983; am § 4 ch 34 SLA 1985; am § 2 ch 116 SLA 1986; am § 10 ch 92 SLA 1987)

Revisor's notes. — Formerly AS 14.40.765. Renumbered in 1982.

Effect of amendments. — The 1983 amendment, in paragraph (2) of subsection (b) deleted "and" following "guardian for care" and added the language beginning "and the person has been present" at the end of the paragraph.

The 1985 amendment rewrote the section.

The 1986 amendment added paragraph

(4) of subsection (a) and made a related technical change.

The 1987 amendment added subsection (c).

Editor's notes. — Section 18, ch. 67, SLA 1983 provides: "If the two-year residency requirement for scholarship loans provided by AS 14.43.125 is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, the Commission on Postsecondary Education shall

adopt regulations to impose the most Alaska and the United States Constitution on scholarship loan applicants." stringent residency requirement allowable under the Constitution of the State of

Sec. 14.43.130. Selection criteria. [Repealed, § 19 ch 67 SLA 1983.]

Sec. 14.43.135. Discrimination prohibited. The student loan program shall be carried out without regard to the race, creed, sex, color, ancestry, national origin, or membership in fraternal or political organizations of the student applying for the loan. (§ 1 ch 98 SLA 1971)

Revisor's notes. — Formerly AS 14.40.769. Renumbered in 1982.

Cross references. — See also AS 14.18 and AS 18.80.

Sec. 14.43.140. Enforceability of certain contracts with minors. A written obligation entered into by a minor at least 16 years of age, evidencing a loan or other assistance received by the minor from any person for the purpose of furthering the minor's education in a career education program or an institution of higher learning, is enforceable against the minor with the same effect as if the minor were, at the time of its execution, 19 years of age, if the person making the loan has before making the loan a certification from the institution that the minor is enrolled in the institution or has been accepted for enrollment. (§ 1 ch 98 SLA 1971)

Revisor's notes. — Formerly AS 14.40.771. Renumbered in 1982.

Sec. 14.43.160. Definitions. In AS 14.43.090 — 14.43.160

(1) "career education" means a course or program in vocational-technical training or education approved by the commission;

(2) "commission" means the Alaska Commission on Postsecondary Education;

(3) "federally insured" means a loan covered by the provisions of the Guaranteed Student Loan Program of Title IV, Part B, of the Higher Education Act of 1965 (P.L. 89-329), as amended;

(4) "full-time student" means an undergraduate or career education student who is enrolled and is in regular attendance at classes for at least 12 semester hours of credit or the equivalent during the semester or a graduate student who is enrolled and is in regular attendance at classes for at least nine semester hours of credit or the equivalent; any combination of semester hours of credit, or the equivalent, aggregating to the requisite number of semester hours and undertaken during a semester at two or more public or private institutions of higher education constitutes full-time student status;

(5) "school year" means the period from September 1 of one year through August 31 of the following year;

(6) "summer term" means the period from June 1 — August 31. (§ 5 ch 156 SLA 1972; am § 8 ch 78 SLA 1974; am §§ 18 — 20 ch 136 SLA 1974; am § 5 ch 136 SLA 1975; am § 7 ch 246 SLA 1976; am §§ 5 — 7 ch 99 SLA 1977; am § 9 ch 87 SLA 1979; am § 11 ch 89 SLA 1981; am § 59 ch 6 SLA 1984; am § 5 ch 34 SLA 1985; am § 1 ch 52 SLA 1985)

Revisor's notes. — Formerly AS 14.40.806. Renumbered in 1982.

Reorganized in 1985 to alphabetize the defined terms.

Cross references. — For Title IV, Part B of the Higher Education Act of 1965, see 20 U.S.C. 1071 — 1087-2.

Effect of amendments. — The 1984

amendment repealed former paragraph (6), which defined "part-time student."

The first 1985 amendment added paragraph (6).

The second 1985 amendment deleted "operating under a consortium" following "higher education" near the end of paragraph (4).

Article 5. Memorial Scholarship Revolving Loan Fund.

Section

250. Declaration of purpose
255. Fund created
300. Limits on, conditions of loans
305. Repayment of loans

Section

310. Selection
315. Discrimination prohibited
320. Administering authority
325. Funding

Sec. 14.43.250. Declaration of purpose. (a) The legislature may pay tribute to the memory of Alaskans who, by the example of their lives, or by their distinguished contribution and service to this state, their community or their profession, exemplified the best that is the challenge of "The Great Land" by the creation of memorial scholarships as a part of a general memorial scholarship revolving loan fund, setting out the purpose for which each is created, and the conditions applicable to each scholarship.

(b) The purposes of the several memorial scholarship accounts in the memorial scholarship revolving loan fund are as follows:

(1) the Michael Murphy memorial scholarship perpetuates the memory of Michael Murphy, a member of the Alaska State Troopers, who, while on leave from that division, gave his life for his adopted country in Vietnam on May 22, 1968;

(2) the Carroll L. "Butch" Swartz memorial scholarship perpetuates the memory of Carroll L. "Butch" Swartz, of Juneau, who was a student intern with the Criminal Justice Planning Agency and the Governor's Commission on the Administration of Justice during the summer months of 1972 and 1973 and whose accidental and untimely death in November 1973, occurred while completing his undergraduate education at Yale University, thus never realizing his educational goals or career objective;

(3) the Harvey Golub memorial scholarship perpetuates the memory of Harvey Golub, of Juneau, who was chief engineer of the bridge design section of the Department of Highways of the State of Alaska

and whose accidental and untimely death September 13, 1971, cut short a widely-respected career in civil engineering;

(4) the Robert L. Thomas memorial scholarship perpetuates the memory of Robert L. Thomas, of Juneau, who as Deputy Commissioner of Education, and for 13 years as a member of the professional staff of that department contributed significantly to the creation, operation and administration of a sound system of public education in Alaska and whose tragic and untimely death March 12, 1974, terminated a distinguished career in education and public administration that long will be exemplary for those who aspire to service in that profession; and

(5) the A.W. (Winn) Brindle memorial scholarship loan perpetuates the memory of A.W. (Winn) Brindle, who was the president of the Wards Cove Packing Company and Columbia-Wards Fisheries and whose death July 4, 1977, terminated a distinguished career dedicated to the development of the Alaska seafood industry. (§ 21 ch 13C SLA 1974; am § 1 ch 78 SLA 1986)

Revisor's notes. — Formerly AS 14.40.810. Renumbered in 1982.

Effect of amendments. — The 1986

amendment added paragraph (5) of subsection (b).

Sec. 14.43.255. Fund created. (a) There is created a memorial scholarship revolving loan fund. The fund shall be used to provide educational scholarship loans to students selected under AS 14.43.250 — 14.43.325. Unless the instrument evidencing the memorial scholarship loan has been sold or assigned to the Alaska Student Loan Corporation, repayments of a loan shall be deposited into the memorial scholarship revolving loan fund and shall be used to make new loans.

(b) Each memorial scholarship, the purpose of which is set out in AS 14.43.250(b), is a separate account in the memorial scholarship revolving loan fund created under (a) of this section.

(c) The student financial aid committee created under AS 14.43.095 may sell or assign notes and other instruments evidencing memorial scholarship loans to the Alaska Student Loan Corporation and enter into agreements with the corporation relating to loans, the administration of the student loan fund created under AS 14.42.210, and the payment of and security for bonds of the corporation. Proceeds from the sale or assignment of a note or other instrument shall be deposited in the appropriate memorial scholarship loan fund account. (§ 21 ch 136 SLA 1974; am § 2 ch 78 SLA 1986; am §§ 11, 12 ch 92 SLA 1987)

Revisor's notes. — Formerly AS 14.40.815. Renumbered in 1982.

Effect of amendments. — The 1986 amendment rewrote subsection (a).

The 1987 amendment in the last sentence of subsection (a) substituted "Unless

the instrument evidencing the memorial scholarship loan has been sold or assigned to the Alaska Student Loan Corporation, repayments of a loan" for "Repayments of loans made under AS 14.43.250(b)(1) — (4)" and deleted "repayments of loans

3070 Limitation

14.42.030

§ 14.42.032

EDUCATION

§ 14.42.032

the vote of
a member
for or on
behalf of the

Assistance for Undergraduate Education), 704 of Title VII (Construction of Academic Facilities), and Part B of Title IV (Guaranteed Student Loan Program) of the Higher Education Act of 1965 (PL 89-329; 79 Stat. 1220, 1262; 20 U.S.C. 1005, 1123) as authorized by § 1202(c) of Title XII of the Higher Education Act of 1965, as amended by the Education Amendments of 1972 (PL 92-318, § 196; 86 Stat. 324);

(4) administer the provisions of AS 14.43.090 — 14.43.160 (student loan program), and serve as the student financial aid committee;

(5) administer the provisions of AS 14.48 (regulation of postsecondary educational institutions);

(6) resolve any disputes that exist or arise under a consortium or other cooperative agreement between institutions of public and private higher education in the state.

(c) The commission may establish task forces, committees or subcommittees, not necessarily consisting of commission members, to advise and assist the commission in carrying out its functions assigned by state or federal statute. The commission may contract with, or use, existing institutions of higher education or other individuals or organizations to make studies, conduct surveys, submit recommendations or otherwise contribute to the work of the commission. The commission may appoint a committee to be responsible for the area of student financial aid.

(d) The commission may enter into agreements with government or postsecondary education officials of this state or other states to provide postsecondary educational services and programs to Alaska residents pursuing a medical education. An agreement with another state must be limited to services and programs that are unavailable in Alaska. (§ 4 ch 78 SLA 1974; am § 2 ch 25 SLA 1976; am § 24 ch 14 SLA 1987; am § 1 ch 15 SLA 1987)

Revisor's notes. — Formerly AS 14.40.909. Renumbered in 1982.

Effect of amendments. — The first 1987 amendment in subsection (b)(3) inserted "and Part B of Title IV (Guaranteed Student Loan Program)" and made related stylistic changes. The second 1987 amendment added subsection (d).

Sec. 14.42.032. Limitation on awarding loans. In administering AS 14.43.090 — 14.43.325, 14.43.600 — 14.43.700, and 14.43.710 — 14.43.790, the commission may not during a fiscal year award loans with a total value that exceeds by more than three percent the total value of loans awarded under those provisions during the previous fiscal year. This limitation may be exceeded only if the commission is specifically authorized to do so by law. (§ 1 ch 92 SLA 1987)

Sen. Pourchot
April 18, 1989

A M E N D M E N T

Page 1, lines 6-7
Substitute new title:

An Act relating to loans for half-time students, deferral of loan repayment, and to the Alaska Postsecondary Education Commission; and providing for an effective date.

RATIONALE: This title more accurately reflects the contents of the bill.

Page 3, line 9, after the word "section", add:

a borrower is not eligible for deferral under this paragraph for a period longer than eight years

RATIONALE: This language is intended to prevent loan recipients from continuing to enroll half-time simply to avoid repayment of their loans.

BY SEN. POURCHOT, Kelly, Sturgulewski

1 IN THE SENATE

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 208

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to loans for half-time students;
7 deferral of loan repayment; the student loan commit-
8 tee of the Alaska Commission On Postsecondary Educa-
9 tion; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 14.43.110 is amended to read:

12 Sec. 14.43.110. UNDERGRADUATE LOANS. The student financial aid
13 committee may make a loan, not to exceed \$5,500 in a [ANY ONE] school
14 year [,] to a full-time [AN] undergraduate student, and not to exceed
15 \$2,000 in a school year to a half-time undergraduate student, eligible
16 under AS 14.43.125. The committee may make a loan for a summer term,
17 even if the total loan for the school year exceeds the \$5,500 or
18 \$2,000 maximum, if the loan for the summer term is counted against the
19 \$5,500 or \$2,000 maximum for the following school year. The commis-
20 sion shall adopt regulations establishing a minimum amount for which a
21 loan may be made.

22 * Sec. 2. AS 14.43.115 is amended to read:

23 Sec. 14.43.115. GRADUATE LOANS. The student financial aid
24 committee may make a loan, not to exceed \$6,500 in a [ANY ONE] school
25 year [,] to a full-time graduate student, and not to exceed \$2,500 in
26 a school year to a half-time graduate student, who is eligible under
27 AS 14.43.125 and is pursuing an advanced degree. The committee may
28 make a loan for a summer term, even if the total loan for the school
29 year exceeds the \$6,500 or \$2,500 maximum, if the loan for the summer